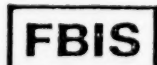


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11 December 1984

Latin America Report



FOREIGN BROADCAST INFORMATION SERVICE

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11 December 1984

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INTER-AMERICAN AFFAIRS

BRIEFS

ANDEAN GROUP FUNDS ENTEL--Yesterday, the Andean Development Corporation (CAF) approved a credit of \$5,188,300 to finance expansion of the transmission capacity of Entel-Peru's microwave trunk network. This credit was granted at the request of Alvaro Becerra Sotero, minister of tourism and integration, according to information released yesterday by the Office of Communications of this ministry. Becerra has been in Caracas since the day before yesterday. He traveled there to participate in a meeting of CAF in the Venezuelan capital. The loan, which was approved unanimously during yesterday's session of CAF, has an amortization period of 12 years, with the first installment payable in 36 months, which, according to the minister of tourism and integration, is an exception made for Peru. Before his trip to Caracas, Minister Becerra announced that from there he will travel to the United States to continue initiatives to secure credits from IDB and AID totaling \$180 million for reactivation of the industrial sector. He has also scheduled talks in Washington on a new bilateral Peruvian-United States accord, which will guarantee free access of Peruvian textile products to the U.S. market. [Text] [Lima EL COMERCIO in Spanish 19 Oct 84 p A-4] 8143

CSO: 3348/80

LEFTIST, RIGHTIST GROUPS REEMERGING AS DISRUPTIVE FORCES

Buenos Aires SOMOS in Spanish 2 Nov 84 pp 8-15

[Article by Tabare Areas: "The Totalitarian Temptation"]

[Text] They appeared suddenly; they are not known by sight; they cause an incident and disappear, without anyone being able to identify them. Nor does anyone know how many there are. On the night of Wednesday, 24 October, after the FAMUS mass, the people in the street began to fear that, behind the anonymous hands and behind the symbolic "black campers," there might be an organization of cadres striving to destabilize democracy, or also to bring about a coup. The reality fertilizes the ground and, invariably, leads to another question that is not at all unfamiliar to Argentines: Are the sectors parading on behalf of the extreme right and left of the political spectrum taking to the streets again to play their role as violent minorities?

The question is not farfetched, and began to circulate when two incidents were reported: the bomb which destroyed the car of Eduardo Duhalde, the superintendent of Lomas de Zamora, and the kidnapping and torturing of the Peronist militant, Lilian Gamon Figueredo, in the middle of downtown Buenos Aires. Several days elapsed and neither the government nor the police could say for certain (although they could imagine) whose anonymous hands committed the crimes.

Later, the sense of insecurity was heightened by a series as varied as it was dangerous: the FAMUS mass (with the explosive statements by the priest, Julio Trivino, and the closing of Cabildo Avenue), the march calling for the release of the so-called "political prisoners," wherein chants and signs demanded the release of Mario Firmenich, and the bomb which exploded in the church where the controversial mass was being celebrated.

Amid those leftist and rightist minorities in a constant effort to spur on a definite political plan there is the vast majority of Argentines, viewing with concern the signs of a growing authoritarianism, with visible assaults upon coexistence, coming from the right, the left and the state itself. The population is also observing with annoyance the impunity with which any sector that has something to express is holding up traffic, painting walls or embarking on an intolerant verbal avalanche.

From Trivino to the March

When the priest, Julio Trivino (62 years of age, from Entre Rios, 1.90 meters tall) emerged from anonymity because of his challenged sermon at the FAMUS mass, few would have imagined that this priest had shared the same shantytown, in his pastoral activity, with Carlos Mujica. In fact, 11 years ago Trivino championed a "polarization" as notorious as the one that was aroused after the mass in the presence of the military at the church of Our Lady of Lujan.

In the agitated years which elapsed between 1970 and 1973, Trivino and Mujica served the "port town" in Retiro, which had five neighborhoods, and brought about a widely publicized alignment among the residents. They were so separated that the "neighborhood boards" could be divided between the followers of "Father Trivino" (traditionalist) and "Father Mujica" (of Third World orientation). The former had his base in the parish of Our Lady of the Port, and the latter in that of Christ the Worker. Those who were familiar with the place claim now that the grim struggle on the part of both to win the favor of the parishioners was unrelenting, and that when an official from Alejandro Lanusse's government arrived at the town, Trivino went out to meet him, while Mujica incited his people against the dignitary. Eventually, Trivino's adherents held sway in the elections for the neighborhood boards over those of the by then politicized Mujica, who left the town to engage in a different type of work in Hector Campora's government.

Why was Trivino the very one chosen by FAMUS to celebrate the monthly mass? It was no coincidence. The organizers of the event were looking for a priest who "would interpret their grief fully," as was learned from sources close to FAMUS.

Trivino served as a military chaplain for 7 years, and is thoroughly familiar with the military mentality. In any event, he was shocked upon entering the church overflowing with the faithful (1,200), and remarked to a companion: "I thought that it was something more private."

Some time ago, the Church hierarchy gave instructions (in a circular letter kept confidential in the meanwhile) to the military chaplains to "be extremely cautious" in the sermons to be delivered at the FAMUS masses, and suggested that a written text be prepared ahead of time. Knowing this background, it is not rash to assume that the priest's explosive sermon (in which he spoke of "pornographic democracy," and the need for "taking up spiritual and material weapons") shocked the Church hierarchy more than it did the military who were in the church.

Between Barricades and Marches

Later, on the sidewalk, the gathering had assumed a decidedly political tone, because an abundant supply of leaflets (Father Trivino himself was seen with some pamphlets in his hand) disclosed the ideological essence that many wanted

to lend the meeting. Later, there came the halting of traffic on Cabildo Avenue, the shouts and insults leveled against the collectivists and the appearance of activists such as Oscar Castrogio (actually, Castrogiovani) and Jorge Cesarsky. Also, there was the impression that the "generals of the process," the "retired ones," as they are called in the barracks, had begun grouping to lend shape to a political endeavor, and that the "black campers" might be more of a subterranean fact than a contrivance of journalists. This occurred 6 days before the first anniversary of the return of democracy to Argentina. On that night, the possibility that the dangerous stigma of intolerance might again typify Argentines was sensed once more.

That same impression came over the man on the street 2 days later, when Buenos Aires found its downtown section barricaded and 50 of its blocks reserved for demonstrators and cyclists. It was 1955 hours in the evening, and a compact column (of 10,000 demonstrators) started marching opposite the Congress, to call for the release of the so-called "political prisoners" serving sentences in Villa Devoto. A couple of hours earlier, picketing militants were undertaking to paint every available surface, without sparing glass windows, monuments, billboards, vans or public clocks.

As they advanced, the columns lined up according to a preestablished diagram: in the lead, human rights agencies; 2. student groups; 3. Radicals; 4. Intransigents; 5. Peronists; 6. Communists; 7. Socialists; and then other organizations such as MAS [Social Affirmation Movement], the Labor Party and a "liberation movement." The chanting on behalf of the release of those in prison who were convicted of "homicide, illegitimate deprivation of freedom or possession of explosives" resounded in downtown Buenos Aires. For example: "Listen, Alfonsín; release the prisoners; let those who fought for democracy return home"; or, "hurrah for the jailed comrades, soldiers, release them." Later, along with the demands of the Peronist Youth, the call for Mario Firmenich's release was converted into a constant series of pamphlets, chants and painting with aerosol. The idea of the role that justice should play was not (ironically) the same for everyone. For example, a leaflet signed by JP [Peronist Youth] warned: "Democracy is in danger! Firmenich is a hostage of the financial nation and the coup-oriented military"; whereas on the walls "freedom for the patriot Firmenich" was being written. At this point, the banners and the political action were completely deployed, and no one seemed to remember that the Montonero leader is being held at the order of a civilian judge, and that his extradition was granted by a Brazilian court of justice. At that juncture, the fact that Firmenich was tried with the proper constitutional guarantees (no one to date has decided that he was guilty of the acts with which he has been charged, something that the judges will have to prove) was merely non-essential.

The march, in which intolerance also had its place of honor, as was evident, marked the introduction of a new group which was precisely the one causing the attempted violence that occurred during the night. They showed up carrying a black sign with large white lettering that read "Anarchist Movement," with a logo consisting of a letter "A" written inside a circle. In all, they

numbered no more than 150 persons, most of them young, and they stood out because of the profuse distribution of butterfly-shaped leaflets bearing the legend "Anarchist Resistance."

When the columns reached the Obelisk, the group crossed the Plaza of the Republic and marched toward Corrientes and Cerrito, where the platform for the authorities witnessing the bicycle race was set up. Shouting "anarchy is liberty" and "oligarchs," the anarchists and some militants who left the "Revolutionary Peronism" column pushed the cyclists (several were knocked down) and emptied the platform. Others, more determined, started setting fire to it. It did not all end there. Someone appeared with some bales of dried hay, which were ignited and burned on the corner of Corrientes and Cerrito, while a group of 100 shouted at the top of their voice: "I see, I see, what do you see? something; what is it? that we are going to free the prisoners again, as in '73." About 2300 hours, the dispersion began, while the smoke remained as irrefutable evidence of the violence that had occurred, of the intolerance of that violent minority; and of the fact that other "black campers" (this time without the dark attire) are moving in an underground manner, striving against democratic coexistence. In short, a plan as totalitarian as that of the ones who attack democracy from the other end of the ideological spectrum, or those who set the bomb in the car of the superintendent of Lomas de Zamora, Eduardo Duhalde, or who kidnapped the Peronist militant in the middle of the city's downtown section.

The Intermingling

Trivino's sermon caused the upset at the top echelon of the government that is known to us, prompting the prosecutor Alberto Piotti to request the priest's indictment. But a different type of analysis is being made in the loftiest offices of the Casa Rosada and in the Radical front line. In principle, some observers have said that the incidents at the FAMUS mass prove that, together with the military who have a political ambition (such as the vast majority of generals in recent years), there are civilian groups with differing ideological origins and different militancies in action. Those upholding this position claim that, on that night, "liberals, nationalists and Peronists of the right" were in agreement. A source quite familiar with the internal military area remarked: "No one could doubt the liberal inclination of many of those present. Nationalism was present in the form of Castroge and his friends; the Peronist right, which views Herminio Iglesias with sympathy, made itself present through Cesarsky. In fact, all of them are striving to establish a great enclave of opposition to the Radical government, and that is why these circumstantial alliances are in operation." The hypothesis does not seem rash if one considers the fact that, in connection with the consultation over the Beagle, the Peronist position coincides with that upheld by the best-known military commanders in Argentina during recent years. Obviously, this does not put an end to the differences of nuance and principle that both sectors may have. But they agree in their criticism of the government headed by Raul Alfonsin, over and above the internal activity that is under way in the private realm of Peronists and military.

Behind the mollifying statements from officials and the raging criticism from politicians and militants, it seems certain that an investigation will have to be made of the transformation that is taking place in FAMUS, in order to find the point of equilibrium.

The entity which contains the relatives of those killed by the subversives came into existence during the military government, but it never had a leading role of newsworthy significance beyond the masses and canvassing. In recent months, that situation has changed, and the religious services convoked by FAMUS usually have a high political voltage and are attended by many of the top-ranking authorities of the National Reorganization Process. Those who follow the subject recall that, during the mass celebrated at the Carmen church, one of the founders of FAMUS declared in an irate voice: "They finally came!" when former President Bignone and other former high-ranking military commanders appeared at the door. It is claimed that the entity underwent a growth process after Gen Domingo Bussi and Col Ricardo Garcia del Hoyo started actively participating in it and campaigns were scheduled to collect funds among the military.

Its history recorded a noteworthy event: The number of attendees at the masses gradually increased and the services started to be tinged with a political veneer: hurrahs, pamphlets and statements.

Some sources remark that the entity requested permission to hold a mass in the Stella Maris chapel, which comes under the military vicariate, but the approval never arrived; and (after what happened at the last mass) it is thought that it never will arrive either. This detail which seems insignificant and almost irrelevant reflects the concerns that are afoot in the government and the Armed Forces regarding the importance that the FAMUS masses are acquiring.

What Campers?

Every time there is mention of the "black campers," Castroge and other nationalist shock groups are cited. On Wednesday, 24 October, Castroge was stopped at the gate on the sidewalk of Cabildo Avenue. He later held this telling dialogue with a staff writer from SOMOS.

[Question] Why did you attend the FAMUS mass?

[Answer] We attended as we attend all ceremonies at which the Argentine flag is raised. We are not sectarian, like the mothers of Plaza de Mayo, who are defending just one sector.

[Question] Are you the black campers?

[Answer] Look, neither I nor any of our members had any black campers, or had badges, as was claimed. I think that there was just one with a camper, but I don't think that it can be claimed that he intended to destabilize democracy on that account.

[Question] How many members did you take to the mass?

[Answer] We numbered about 500 members, and there were approximately 2,500 at the mass.

[Question] Why did they stop traffic?

[Answer] There was no special reason. The traffic was stopped only because of the number of people coming out of the church, just as Corrientes Street is blocked when people are coming out of the movies. Some members of the military with whom we don't agree very much started singing the anthem, and so we stayed there out of respect. That caused the stoppage of traffic.

[Question] Then who was to blame for stopping traffic and for the incidents?

[Answer] There were no incidents, and the interior minister, who did not take the proper precautions, is to blame. In this pseudo-democracy, 50 blocks are closed, for a march to make an apology for the crime, and when we meet we are incapable of closing off one block.

As usually occurred in Argentina at other times, the dangerous vengeance came; although no one thus far knows to what lengths it went: Three days after Trivino's sermon, a bomb exploded at the door to the church in which the FAMUS mass had taken place. Those responsible were not identified or arrested this time either. There are some who attribute the recent acts of violence (the bombing of Duhalde, the kidnapping of the Peronist militant, the theft of the records relating to human rights in Rosario and the bombing of the church of Our Lady of Lujan) "to the services," or to a presumed "unemployed labor," as the government usually remarks without much accuracy.

If the violent minorities of the left and right have taken to the streets, it is disturbing to note the blunders that the government seems to be making, in ensuring a greater margin of internal calmness. Those acts of violence are happening, and those to blame have not appeared. Persons knowledgeable on the subject claim that the government has cut off the economic oxygen supply of the intelligence structure inherited from the military government, but has been unable to replace it thus far with another that would operate on the basis of the requirements of the new order. They maintain that, with the SIDE [Secretariat for State Intelligence] virtually dismantled, with the intelligence services of each branch of the forces separated from the internal investigations, and with the police structure operating on the basis of regulations, the situation is difficult to reverse. One reliable source commented: "If we have no information on what is going on beneath the surface, it is impossible to predict, much less find out the origin of these dirty little jobs."

However, these are not the only totalitarian blows that are worrying Argentines. An immense part of the population is viewing with increasing annoyance the violation of their rights to an orderly, peaceful coexistence by the most varied sectors, not excluding the government. The fact is that, in Buenos

Aires today, stopping traffic, for example, constitutes and almost ordinary situation, against which one cannot protest. In fewer than 4 days, the municipality itself closed off the city's downtown area to pedestrians and car drivers, causing inconvenience of all types. A week ago, a minority group of rough youths, on their own, stopped an international soccer match, and the thousands of spectators who had scrupulously paid for their tickets to view the spectacle had no recourse whereby they might complain. There are different levels for appeal, with different treatment; but, essentially, both prompt the statement that something very profound must change in Argentine society to prevent authoritarianism and totalitarianism from showing their menacing specter almost every day.

2909

CSO: 3348/126

ALFONSIN SEEN DIVERTING ATTENTION FROM ECONOMIC PROBLEMS

Buenos Aires LA NACION in Spanish 11 Nov 84 p 1

[Text] President Alfonsin seems to be telling the country: "It is either I or the black shirts."

Except for a group of fanatical nationalists, fascism smacks of old medicine. Alfonsin, who realizes this, has simplified the terms of the national policy in a dilemma in which only he stands to gain.

Alfonsin has expert credentials for determining exactly and in time the enemy with whom it is feasible to come to grips. He proved it in 1983. In a country fed up with military administrations after the Malvinas war, he pitted himself against an alliance of military and trade union leaders.

The winner of the elections a year ago carried out that operation so luckily that hard-line military and trade unionists tested in a thousand battles fell into the trap.

In the words of the Radical leader, that alliance is now a thing of the past. But it bears that mark when, every day, the ministers and other members of the government party charge attempts at destabilization. The enemy has come to be fascism or the far right.

Here are some comments, from that standpoint:

The government has telling signs that it was the paramilitary who looted a court in Rosario some time ago, and committed other outrages of a similar type.

The repression against subversive misdemeanors had the backing of some sly individuals who may now be working on their own. The spectacular attack on the Hotel Salles has aroused serious suspicions in this regard.

In the case of incidents as serious as the ones that occurred recently on Florida Street, it has even been suggested in government circles that there might be liability in the legion answering to Herminio Iglesias, the strong man of the Buenos Aires Peronist movement.

Meanwhile, among the population, the idea has taken shape that the armed attacks are increasing irrepressibly; and it is even claimed that drug trafficking has spread seriously.

There is something that the government has not said but that is stressed by observers: namely, that the police do not work effectively anywhere unless they are given proper incentives. And what the police need is to feel that they have more political and moral support, based on that sort of consideration.

Dr Alfonsin has typified his new enemy in accordance with certain unquestionable premises:

The far right is, in fact, definitely opposed to him.

Mr Iglesias actually represents the Peronist right; in other words, the populist nationalism that has been and historically will be the real heart of that political movement.

The president is well aware that the opposition consists of something more than fascists. Nor does he fail to realize that, at this juncture, the cause of "either I or the black shirts" is insufficient for polarizing the electoral situation in 1985 of itself alone. But the president has reasons for believing that this cause is useful for something: as a minimal objective to prevent too much dispersion of the left which listens to Radio Belgrano, encouraged by the presence of individuals associated with the official cultural area and disenchanted by:

The policy pursued for trying the military; the settlement with the IMF; and the rapprochement with the United States.

As part of this political picture, the labor decisions made this week by Ford are one of the visible signs of recession. If Alfonsin can make the collective eyes turn more toward politics than toward the economy, he will gain time. After all, even Reagan, benefiting from a considerable economic expansion, is sitting every day on the bomb of a sizable fiscal deficit.

And this, regarding the prestige of the economy and of economists anywhere, leads to the matter discussed a few days ago in Los Angeles by the head of Gallup. He noted that a group of scholars called in a mathematician, a statistician and an economist to put an end to the discussion of how much two plus two is.

The mathematician was first in turn; he was categorical: "Two plus two is four," he said; "it is a mathematical certainty." Next came the statistician: "A calculation of probabilities indicates that it lies between three and five," he ventured cautiously. When his turn came, the economist closed the doors and windows of the room and addressing the scholars, he asked softly: "Which number do you want me to give you?"

2909

CSO: 3348/126

ARGENTINA

POLICE EQUIPMENT NEEDS ADDRESSED

Target Practice Suspended

Buenos Aires LA NACION in Spanish 4 Nov 84 p 20

[Text] The police headquarters of Jujuy Province has suspended target practice for its personnel until financial conditions improve.

According to an official report, the move was prompted by the high cost of ammunition. The report noted, however, that because of its importance in the training of police personnel, target practice will resume when the situation improves.

Equipment Funding Requested

Buenos Aires LA NACION in Spanish 4 Nov 84 p 20

[Text] La Plata--The minister of government of Buenos Aires, Dr Juan Antonio Portesi, has disclosed that he has told his colleague in the Economy Ministry that funds are needed to buy patrol cars, weapons and ammunition for police in Greater Buenos Aires.

He also noted that the money would be used to purchase uniforms, inasmuch as the current ones are 8 years old.

8743

CSO: 3348/115

ARGENTINA

FAMUS DENIES DESTABILIZATION CHARGES LEVELED BY GOVERNMENT

Buenos Aires LA NACION in Spanish 1 Nov 84 p 12

[Text] Family and Friends of Those Killed by Subversion (FAMUS) yesterday charged that a campaign was under way to discredit it and came out in defense of Father Julio Trivino, stating that his homily prompted "mistaken interpretations of its essential message: a defense of Christianity, which is under attack throughout the world by materialist atheism."

In a communique made public yesterday afternoon, FAMUS asserted that it neither promotes nor participates in "any organization aimed at destabilization" and that "it has never utilized for political, ideological or partisan purposes" the masses that it organizes in remembrance of those who fell in the battle against subversion.

FAMUS said that "if the authorities and leaders who were invited had attended the mass, they would seen for themselves the enormous difference between what actually happened during and after the religious service and what certain public opinion sectors subsequently publicized and interpreted in a sensationalist and flippant manner."

In another paragraph in its press release the organization contends that "the mass on 24 October was not deliberately set to coincide with the absence of the nation's president, as has publicly been claimed."

"The date had been set long before, because the purpose of the mass was to commemorate another anniversary of the death of Lt Diego Barcelo and Privates Moya and Vizcarra, who were slain during Operation Independence as they were carrying out express orders from a constitutional government."

It asserted that "we devote all of our efforts solely to permanently remembering the heroes and the innocent victims of the pitiless subversion that terrorized the Argentine people for 10 long years."

FAMUS criticized government actions by indicating that "we feel that we are the target of arbitrary and discriminatory treatment, inasmuch as not only have we not been allowed to produce and show the first

part of 'Never More,' which we regard as indispensable, but now attempts are even being made to curtail our democratic right to demonstrate freely and to restrain Argentines from attending our masses."

It charged that "a campaign is being orchestrated to discredit us and to silence officially and in practice the only voice of the relatives, friends and comrades of those who fought loyally and bravely against the subversive criminals."

It stated that "neither bombs nor threats nor campaigns of intimidation will break our spirit and end our effort to remain faithful to the memory of our beloved dead."

Elsewhere in the communique it denounced "the criminal attack for purposes of intimidation on the Our Lady of Lujan Church, an attack as foul and as cravenly anonymous as the threats that we have been receiving in recent days."

Justifying Trivino's homily, in which he called on people "to take up the appropriate spiritual and physical arms" against "the pornographic democracy that they would like to impose on us" and which led to a lawsuit against him for inciting rebellion, the group argued that "the priest's words were taken out of context and misinterpreted."

Finally, FAMUS noted that "if they do not allow us to say mass, we will henceforth remember our dead in the public square, because we do not wish to cause problems for anyone, by reciting the holy rosary around our country's flag."

8743

CSO: 3348/115

ARGENTINA

INTERIOR UNDERSECRETARY FEARS RETURN OF 'DIRTY WAR'

Buenos Aires LA NACION in Spanish 4 Nov 84 p 1

[Text] La Rioja--Interior Undersecretary Dr Raul Alfredo Galvan stated at a press conference in this city that he believes that there is the danger of another dirty war, reasserting, though, that the democratic system is irreversible.

Galvan said: "I think that there is the danger of another dirty war. Events suggest that certain elements and attitudes characteristic of the dirty war are about to surface."

"But," he went on to say, "as the nation's president so rightly put it, the democratic system is irreversible. And the task of all Argentines is to rally behind the government, whose enduring goal is to work for the lives and the freedom of all Argentines."

"The great majority of the Argentine people," Galvan continued, "have embraced democracy, but as has been the case for several decades, there is an antidemocratic minority that in various ways and during various periods has shown that it is a friend of neither democracy nor peace nor life. So then, once again we have the dichotomy of an agenda for life and an agenda for death. Those of us in government are prepared to see to it that the law prevails over arbitrariness, that peace prevails over its antithesis and, above all, that the civilized conduct of Argentines on the whole is the hallmark of our beloved nation."

The undersecretary later indicated that just as most Argentines are working to earn a living, to foster decency and to further all elements of a civilized existence, "there is a group that is doing exactly the opposite, that is not working because it has independent means, that does not come to the surface because it is cowardly, that operates in the underground because it can carry out its activities only under cover of night, and that makes a real profession out of such clandestine activity; in other words, it is not easy at times to detect when someone is planning an attack because he's working 24 hours a day to make it a success."

"But," Galvan immediately added, "justice will be meted out, albeit belatedly at times. A year ago, no one thought or believed that the higher-ups responsible for our republic's chaos would be in prison, and today they are in prison. And the same thing is going to happen to these sorcerer's apprentices who still pine for the old days. They are disenchanted with democracy and, above all, they want to return to political power, but they are not going to return to power for one fundamental reason: because they are cowards, because they shoot people in the back, because they never show their faces, because they are the allies of the privileged few, because they are the enemies of the people and because they are the faceless individuals who have already been convicted in the eyes of the Argentine public."

8743

CS0: 3348/115

ARGENTINA

BRIEFS

MISSILE RANGE--Cordoba--The provincial Executive Branch has authorized an outlay of 926,113 Argentine pesos to initiate expropriation proceedings on 9,600 hectares, on which a rocket and missile firing range will be built. The land in question is located in the department of Cruz del Eje and was declared subject to eminent domain under a law issued in 1983 by the military government. The firing range will be set up by Fabricaciones Militares over a larger area that includes the land to be expropriated and other adjacent lands in the provinces of La Rioja and Catamarca. [Text] [Buenos Aires LA PRENSA in Spanish 15 Oct 84 p 4] 8743

CSO: 3348/115

UNIVERSITY ROLE IN GENETIC ENGINEERING SECTOR DISCUSSED

Sao Paulo FOLHA DE SAO PAULO in Portuguese 31 Oct 84 p 25

[Report by Ulisses Capozoli]

[Text] Day by day, a revolution never dreamed of by our grandfathers is broadening its frontiers, through delicate intervention in the elementary structures which form the basis of life. Genetic engineering, which is already capable of translating part of the code of life contained in the helical structures of dioxynucleic acid (DNA), presents possibilities ranging from the correction of hereditary defects and the production of highly effective vaccines, as well as enzymes for the production of food and energy, to the incredible venture of cloning a human being. It is the virtual consensus of the scientific community that this will be the great revolution of the end of this century and the century to come, equalled only by nuclear fission.

Professor Crodowaldo Pavan is president of the SBPC (Brazilian Society for Scientific Progress) and is a kind of father of biotechnology in this country. According to Pavan, despite this enormous potential for application, above all, in a needy country like Brazil, "we are running a serious risk of being once again dependent on foreign interests, since our research is hampered by limited funding and official apathy."

In practice, genetic engineering was born in 1973 at the hands of North American biochemist Paul Berg, who was the first to transplant DNA from one organism to another. It met its first opposition in Brazil in the conservatism of the academic community itself. Attending a conference in the Smoky Mountains, in the United States, pertaining to the first gene transplant, Professor Pavan recognized its implications and, in 1977, together with a group of scientists that included Francisco Lara, of the Chemistry Institute of the University of Sao Paulo, sought to establish a center for molecular biology and genetic engineering at UNICAMP [Campinas State University]. Plinio Moraes, dean of the university, rejected the idea, arguing that the project was far-fetched and there were no funds available for such adventurism.

To illustrate the enormity of this error in judgment, it is enough to note that the Nobel Prize was awarded last week to biologists Niels Jerne, Georges Koehler and Cesar Milstein for their work in the production of monoclonal antibodies for use in genetic engineering. If the UNICAMP center had been established, Pavan and Lara lamented this week, we would undoubtedly be much farther

advanced, even working on practical programs with a chance of solving problems in the area of public health and even in agricultural sanitation. The UNICAMP project was only saved from complete failure, Pavan declared, because the Federal University of Rio Grande do Sul [UFRS] accepted the challenge to build the center there, after Sao Paulo had refused it, and hired many of the researchers who could not remain here.

Official Boycott

Professor Crodowaldo Pavan claims that the official boycott "is inexplicably still being practiced by the Ministry of Planning, which persists in withholding funds, not to mention the difficulties imposed by the bureaucrats at CACEX [Foreign Trade Department of the Bank of Brazil], when we have a need to import something." In addition, Pavan declared: "The National Council for Scientific and Technological Development [CNPQ] has not assigned very good advisors for the area of genetic engineering and hence we cannot avoid the formation of hateful little cliques which have nothing to do with our project." The president of the SBPC also accuses the "democratic government of Sao Paulo" of neglecting the nation's biotechnology, "because it is not even turning back to the research institutes the ICM [Merchandise Distribution Tax] revenues generated by the development of a series of products."

At the USP, Professor Francisco Lara complains that multinational groups bring in from abroad all the formulas for the products which they sell here, and this has created an unbridgeable moat between the university and the society, "separating the centers for the generation and the consumption of knowledge." Professor Lara also levels a charge against what he considers a "reactionary mentality in the university milieu." Unlike what happens in Europe and the United States, "where the deans want to create a show case for science, here the deans are infuriated when we ask for funds for scientific research. They do not want to be inconvenienced and they think the best professors are those who do not ask for anything." At the UFRS, Professor Diogenes Santiago Santos, coordinator of the National Program for Biotechnology of the CNPQ, and his team have been watching with some concern the development of national political events, which could have important consequences for the sector.

Human Clones

The technology of recombinant DNA, the basis of genetic engineering, consists basically in making cuts--at specific points--in the helical structure of the DNA which contains the code for all the genetic orders of the organism to which it belongs. This cut is made with a special "scalpel," the restriction enzyme. Once the cut is made, a particle of foreign DNA is introduced. It is accepted by the original structure, which will later be "welded" with catalyzing enzymes, or DNA-binders. In this way, for example, and by rigorous prior selection, it is possible to introduce particles of DNA from the human organism to the DNA structure of a bacterium. Bacteria are single-celled organisms, which greatly facilitates this procedure. The orders contained in the DNA particle introduced in the bacterium are "read" and carried out by the organism. This is the process used by the scientists to direct its "behavior" toward previously defined ends. These would include, for example, the production of antigens against illnesses.

Genetic engineering techniques can also, at least theoretically, produce clones, which would even permit the duplication of a human being. The Rand Corporation, one of the many multinational enterprises which have invested heavily in genetic engineering, estimates that, by the year 2005, it will be perfectly possible to clone a human being. In the opinion of many scientists, asexual human reproduction offers the advantage of the possibility of safeguarding and preserving particular "gifts" of certain individuals. However, the idea is certain to provoke a complex series of social, political, religious and philosophical reactions before it might eventually become a reality. More troubling at short range are the fears that genetic engineering could create highly resistant and deadly bacteria that would endanger human health.

Professor Crodowaldo Pavan sees this as a small risk, "primarily because of the care with which the projects are selected for development." He prefers to point to the benefits which biotechnology can offer. At the UFERS, for example, the team of Professor Diogenes Santiago Santos has been working on the control of foot and mouth disease and hydatitis, diseases which affect cattle and sheep herds; the research programs were directed primarily toward these objectives. Along with this work, studies are being developed for the diagnosis of human and animal diarrheas of bacterial and viral origin, and the same program has produced results in the detection of cholera.

Professor Diogenes acknowledges that the continuity of the research and greater investment in the sector depend basically on political decisions. He believes the mastery of this technology is as important as atomic energy or micro-electronics.

In Brazil there are already more than two dozen laboratories doing research in the area of genetic engineering. At the Luiz de Queiros Agricultural College in Piracicaba, experiments are underway to produce yeasts which will permit the production of ethyl alcohol from cassava. The Santa Eliza plant, in Sertaozinho, in the interior of Sao Paulo, is also employing these yeasts in the production of alcohol. On a commercial scale, the yeasts would make it possible to dispense with the centrifuges which represent up to 10 percent of the cost of a distillery. At the University of Brasilia, the yeasts are being used experimentally in the extraction of alcohol from cellulose; they are also being developed to hasten the fermentation of wine. In a building in the Faculty of Medicine at the USP, in Sao Paulo, Professor Ricardo Brentane has been producing human insulin with the use of bacteria, and this week Professor Lara himself, of the USP Faculty of Chemistry, achieved some important results from his work, which cannot be made public yet because of a secrecy clause in the agreement with the Secretariat of Industrial Technology, which is sponsoring the research.

6362

CSO: 3342/39

MORE SPECULATION ON MALUF, NEVES CABINET MEMBERS

Sao Paulo FOLHA DE SAO PAULO in Portuguese 31 Oct 84 p 25

[Article by Nelio Lima]

[Text] After 20 years, the politicians are about to return to power. On 15 March 1985, not just the government will change, but the face of the government: fewer technocrats, fewer generals and more politicians. It will certainly have some influential businessmen, but the politicians will set the tone, whether Tancredo or Maluf wins the election.

The list of cabinet possibilities is a long one. Although it is still somewhat diffuse, it includes some 100 more or less familiar names. It contains some politicians who are sure to be ministers unless they are unwilling; for example, Senator Marco Maciel and Deputy Ulysses Guimaraes, of the Democratic Alliance. Then there is Deputy Armando Pinheiro, of the Malufist faction of the PDS [Social Democratic Party].

Reflecting the amplitude of the Democratic Alliance, Tancredo's list of cabinet possibilities is longer. The list of Malufist politicians who could fill a cabinet post is shorter and, to some extent, made up of names which are newer to the national political scene. The renovation argument may fit in here, taken together with the fact that the candidate is new to national leadership.

Another particular which differentiates the two lists of cabinet possibilities is the fact that Tancredo presents certain names which, although they are ministerial material in terms of competence and political tradition, are politically "hot." Tancredo will not call upon such Alliance members as Alencar Furtado, Miguel Arraes, Francisco Pinto, Osvaldo Lima Filho and others, because he is concerned not to step on any toes in the military area.

Obviously, the lists of cabinet possibilities now circulating in Brasilia are longer than the number of ministries available or even to be created. This is an absolutely normal situation, which the very evolution of the succession process is expected to correct, funneling the candidates' relationships, bringing certain names to the forefront and causing others to fade. However, both Tancredo and Maluf have already spoken of their intention to create some new ministries, such as ministries of Culture, of the Economy, of Women and of Sports and Tourism.

Those who know former Governor Tancredo Neves well are advising his political allies: the hour has not yet come to actively seek a cabinet post. Perhaps for this reason, the politicians mentioned most as cabinet possibilities are

being discreet. In general, however, it is taken as certain that, when the time comes to hand out the invitations, Tancredo's attention will linger on the following names.

--Minas Gerais--Francelino Pereira, former governor of the state and one of those responsible for consolidating the Democratic Alliance in Minas, is seen as a possibility for the Ministry of Mines and Energy. Jose Aparacido, Tancredo's secretary of culture, is sometimes mentioned for the Civilian Household. Paulino Cicero, former secretary of education and currently a deputy, is on the list, and also deputies Israel Pinheiro Filho, Cid Carvalho and Pimenta da Veiga.

--Sao Paulo--Freitas Nobre, leader of the PMDB [Brazilian Democratic Movement Party], could receive a bid, but he wants to be mayor of Sao Paulo. Ullises Guimaraes is mentioned for the Foreign Relations Ministry. Severo Gomes, who has already been minister of industry and commerce, could return to the cabinet, but he appears to have his eye on the legislative branch. Fernando Henrique Cardoso is always included among the "possibilities," as are deputies Pacheco Chaves and Israel Dias Novais.

--Bahia--Antonio Carlos Magalhaes is also mentioned as a possibility for the Ministry of Mines and Energy or the Interior Ministry. Former Governor Roberto Santos could become minister of foreign trade (a remote possibility). There is some mention of Deputy Carlos Sant' Anna for the Ministry of Health. Virgildasio Senna might figure in the cabinet.

--Pernambuco--Deputy Thales Ramalho is insistently included among the cabinet "possibilities," but not yet associated with any particular ministry. The same is true of Geraldo Mello (former vice governor) and Roberto Freire. Deputy and former Minister Osvaldo Lima Filho could return to the Agriculture Ministry, but his is one of the names thought to be "difficult." This is also the case with former Governor Miguel Arraes. Deputy Fernando Lyre is a strong candidate for an important ministry. Cristina Tavares is mentioned for the Ministry of Women.

--Rio de Janeiro--The list includes Wellington Moreira Franco and Alvaro Valle (the latter for Foreign Trade). A possible arrangement with the PDT [Democratic Workers Party] would give Deputy Becaiuva Cunha a chance. Senator Roberto Saturnino (also of the PDT) has been considered a possibility for the future Ministry of the Economy.

--Parana--Senator Afonso Camargo is one of the names mentioned most for chief of the Civilian Household, but political chief Ney Braga would also have to be considered--perhaps for the Foreign Trade Ministry, a post which he has already held. Deputy Walber Guimaraes has been spoken of, but he is a candidate for president of the chamber. Deputy Oscar Alves, who is a physician, has already been mentioned for the Ministry of Health. Deputies Norton Macedo and Reinhold Stephanes are also on the list. If Deputy Helio Duque is not pointed out as a future minister, he has great chances for the Central Bank or the Brazilian Coffee Institute.

--Goias--Senator Mauro Borges, former Governor of Goias, is mentioned for the government of the Federal District, which is practically equivalent to a cabinet

post. Senator Henrique Santillo is on the lists, but he has a political agreement with Governor Iris Resende to succeed the governor.

The list of those who may receive the nod from Tancredo Neves also includes at least the following names: Guilherme Palmeira (who wants to serve again as governor of Alagoas), Renato Archer (Maranhao), Paes de Andrade (Ceara), Paulo Lustosa (Ceara), Tarcisio Buriti (running again for governor of Paraiba), Jose Agripino (an important ally in Rio Grande do Norte), Aloisio Alves (same status, same state), Jorge Bornhausen (Santa Catarina, a decisive presence in the break with the PDS), Alacid Nunes (very important political leader in Para) and even Airtton Soares of the PT [Workers Party], who defends his party's participation in the Tancredo cabinet.

Maluf

Candidate Paulo Maluf would have a somewhat shorter list of politicians to choose from. It would read more or less as follows:

--Bahia--Senator Luis Viana Filho is strongly mentioned for the Foreign Relations Ministry. Deputy Prisco Vianna is a sure name, possibly for chief of the Civilian Household. Deputy Afrisio Vieira Lima has been pointed out as a possibility for the Justice Ministry, the post also sought by Senator Lomanto Junior. The Bahian list also includes Senator Jutahy Magalhaes.

--Minas Gerais--Former Governor Gerardo Renault has a good chance for the Agriculture Ministry (he was secretary of agriculture in Minas Gerais). Deputy Bonifacio de Andrada would be a candidate for the Justice Ministry. Also figuring on the list: Deputy Magalhaes Pinto and Minister Ibrahim Abi-Ackel, in addition to Murilo Badaru, now minister of industry and commerce, who would remain in that post if Maluf is elected.

--Maranhao--Senator Alexandre Costa, one of Maluf's oldest allies, would become governor of the Federal District. Two other cabinet possibilities are Senator Joao Castello and Deputy Edison Lobao.

--Sergipe--Despite his advanced age, Augusto Franco, president of the PDS, would have a ministry at his disposal. He could pass it on to his son, Senator Albano Franco, if the family decides he should support Paulo Maluf.

--Paraiba--Also quite elderly, Ernane Satiro is frequently mentioned as a cabinet possibility. A more remote possibility is Deputy Joacil Pereira.

--Mato Grosso--Senator Roberto Campos is certain of a ministry. State Governor Julio Campos could occupy an important cabinet post.

--Sao Paulo--Deputy Armando Pinheiro, member of the Malufist front in the congress, has been pointed out as a certainty for a ministry--and for an important post, such as the Civilian Household.

Also included on the list of Maluf's cabinet possibilities: Ceara Senator Vergilio Tavora; Deputy Fernando Carvalho, PTB [Brazilian Labor Party], Rio de Janeiro,

(economic area); Eunice Michillis, who is a frequent supporter of Minister Mario Andreazza and who would be a candidate for the Ministry of Women; Para Senator Aloisio Chaves; Pernambuco Deputy Antonio Faria, who has already served as mayor of Recife; Lucidio Portella, former governor of Piaui; and even Deputy Nelson Marchezan, leader of the Figueiredo government, if he agrees to back Deputy Paulo Maluf.

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CS0: 3342/39

'REAL COMMUNISTS' OPPOSE SOCIAL PACT PROPOSED BY NEVES

PY151340 Rio de Janeiro O GLOBO in Portuguese 14 Nov 84 p 5

[Text] Belo Horizonte--"The real communists do not support candidate Tancredo Neves. Those of the Brazilian Communist Party [PCB], of the Communist Party of Brazil, and of the Revolutionary Movement 8 who support Neves are mere opportunists who are making a bourgeois instead of a revolutionary policy." This statement has been made by former PCB Secretary General Luis Carlos Prestes, who traveled to Minas Gerais at the invitation of the Minas Gerais Pontifical Catholic University to lecture on the 60 years of the Prestes Column.

Prestes stated that for the working class there is no difference between candidates Paulo Maluf and Neves, because both are politicians assimilated by the Armed Forces "which are politically still controlling the nation."

The former PCB secretary general added that none of the parties today, not even the Workers Party or the Democratic Labor Party, represent the real interests of the labor sector, and that "the real communists will oppose the social pact proposed by Neves."

CSO: 3342/38

RIO GOVERNOR BRIZOLA SUPPORTS NEVES FOR PRESIDENT

PY092335 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Nov 84 p 4

[Excerpt] Governor Leonel Brizola yesterday said after meeting with President Figueiredo that the future government of Tancredo Neves should be considered provisional and that the ideal thing would be for it to last 2 years in order to coincide with the general elections because this is enough time for a peaceful transition to full democracy. The Rio de Janeiro governor pointed out that a government of the opposition elected by an Electoral College is not feasible because it lacks the necessary legitimacy of a direct election.

The Rio de Janeiro governor said that he will do everything that is necessary to help elect Tancredo, assuring that he will be elected but he did not say whether after the election he will join the opposition or will continue to support the new government. Brizola condemned revanchist attitudes saying to General Figueiredo that Brazil needs to move ahead without brooding on past events, but also without forgetting deaths, tortures, exile, and privileges. Brizola said that Figueiredo listened to these and other political commentaries without making any comments.

The governor criticized the policies of President Alfonsin in Argentina noting that this should not be an example for Brazil because it has ideals but not a sense of reality. He added, however, that corruption and administrative irregularities must be investigated and punished. He added: "The idea of being president never went through my head. This is for me a joke especially when people say that this is the reason why there were no direct presidential elections now." Brizola said he left the meeting with the conviction that President Figueiredo is looking forward to the end of his term. He said: "I did not feel any tension or concern in the president."

CSO: 3342/38

IMF APPROVES NEW LETTER OF INTENT; GOALS NOTED

PY121435 Rio de Janeiro O GLOBO in Portuguese 10 Nov 84 p 18

[Article by Edgardo Costa Reis]

[Excerpts] Washington--The IMF yesterday approved the sixth letter of intent (the fifth, if one of the previous ones is considered just an addendum) it has negotiated with Brazil. The document outlines the economic goals for 1984, which were revised 2 months ago. Yet Brazil still will not be able to draw the third portion of the \$400-million (\$374 million in Special Drawing Rights) loan extended for this year because the IMF has not yet received the required information confirming that Brazil complied with its established goals up to September.

The new letter of intent sets inflation for 1984 at 194 percent; the nominal public deficit (including monetary adjustment) at 17.8 percent of the Gross Domestic Product (GDP); and an operational surplus for the public sector of 0.5 percent of the GDP. The document also sets at 95 percent the expansion of the monetary base (primary issuance of currency) and of the means of payment (demand deposits in banks and currency in circulation), and estimates that economic growth will be between 2 and 3 percent in 1984.

The document promises greater freedom for imports and exports, the reduction of government controls on prices, and the elimination of subsidies for wheat production.

CSO: 3342/38

EMPLOYMENT UP 0.38 PERCENT NATIONWIDE IN AUGUST

Sao Paulo FOLHA DE SAO PAULO in Portuguese 1 Nov 84 p 7

[Report by Cecilia Pires]

[Text] The level of employment continued to show a slight rise in August, registering a growth of 0.38 percent nationwide and 0.46 percent in Sao Paulo State, according to a survey published by SINA (National Employment System) of Sao Paulo in its October bulletin.

The rise in Sao Paulo represented an additional 25,000 jobs, a slow but continuous recovery during the last 7 months of the year. SINE expects an increase of almost 5 percent in the number of jobs from the beginning to the end of this year, to create the necessary vacancies to balance the 3.5-percent annual growth of the PEA (Economically Active Population) and the growth rate of only 1.83 percent in jobs by 31 August, 1983.

The interior of the state continues to register the highest growth rate: 0.66 percent. The metropolitan region grew at 0.34 percent, the same rate as in the previous month. In the capital, there was a slight growth, 0.32 percent, over the previous month. The growth rate in employment was smaller (0.28 percent) in the ABCD [Greater Sao Paulo municipios of Santo Andre, Sao Bernardo, Sao Caetano and Diadema].

The employment level in the capital exceeded the initial floor of the research (100 index on 31 August 1983). Another noteworthy factor is that, although the level of employment continues to rise in the ABCD, the growth rate has been declining: from 0.52 percent in May to 0.41 percent and 0.40 percent in the next 2 months and only 0.28 percent in August.

In civil construction in Sao Paulo State, there was an 0.04-percent decline in the level of employment in August, after a slight growth (0.11 percent) in July and an insignificant decline (-0.03 percent) in June, statewide. Actually, employment in the sector in August stood at the same level as in March 1984. The performance in the industrial sector was significant, registering a growth of 0.62 percent statewide, 0.51 percent in the metropolitan region and 0.82 percent in the interior of the state. SINE also observed in its bulletin that, while the other major sectors grew at about 0.50 percent, industry was mainly responsible for the excellent growth of 0.66 percent in the level of employment in the interior.

Table: Variations in the Level of Employment

<u>Variation</u>	<u>Geographic Area</u>	<u>Period</u>		
		<u>June '84</u>	<u>July '84</u>	<u>August '84</u>
Monthly	Brazil	0.30	0.29	0.38
	Sao Paulo State	0.45	0.45	0.46
	S.P. Interior	0.72	0.64	0.66
	S.P. Metropolitan Region	0.31	0.34	0.34
	S.P. Capital	0.24	0.31	0.32
	ABCD	0.41	0.40	0.28
4-month period	Brazil	1.09	1.03	0.97
	Sao Paulo State	1.61	1.61	1.36
	S.P. Interior	2.42	2.57	2.03
	S.P. Metropolitan Region	1.17	1.11	0.99
	S.P. Capital	1.08	1.02	0.88
	AECD	1.18	1.34	1.09
6-month period	Brazil	1.15	1.50	1.63
	Sao Paulo State	2.05	2.51	2.63
	S.P. Interior	3.62	3.85	3.82
	S.P. Metropolitan Region	1.19	1.78	1.97
	ABCD	1.11	1.67	1.84

Employment in commerce also presented a growth of 0.48 percent statewide, 0.41 percent in the metropolitan region and 0.58 percent in the interior.

In the service area, the level of employment grew 0.32 percent statewide, 0.23 percent in the metropolitan region and 0.52 percent in the interior. Agriculture registered a growth in employment of 0.60 percent statewide, 0.93 percent in the metropolitan region and 0.49 percent in the interior.

The category "others" presented a growth of 1.88 percent in the state (although this was less than the previous month's growth of 2.44 percent), of 1.50 percent in the metropolitan region and 2.5 percent in the interior, slightly more than half the previous month, when the growth rate for employment in the sector was 4.08 percent.

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CS0: 3342/59

BRAZIL

LIBERAL FRONT PROSPECTS IN 1986 GUBERNATORIAL ELECTIONS

By States

Rio de Janeiro O GLOBO in Portuguese 11 Nov 84 p 12

[Text] Brasilia--While it awaits the moment when it will become a party, the Liberal Front has been taking an accounting and finds that it has a chance of becoming a major political force in the country, second only to the PMDB [Brazilian Democratic Movement Party]. This belief is based on the fact that, according to Deputy Jayme Santana (Maranhao), secretary general of the front, it already has the support of governors Luiz Rocha, Hugo Napoleao, Gonzaga da Mota and Jose Agripino and, in a second phase, governors Roberto Magalhaes, Joao Durval, Sivaldo Suruagy, Joao Alves and Jorge Teixeira.

Certain that the current legislation will be softened with the elimination of the substate and of the committed vote, the principal leaders of the front believe that, once it becomes a party, the front will be in a position--alone or through a coalition with the PMDB--to elect governors in the 13 states won by the PDS [Social Democratic Party] in the 1982 elections.

Maranhao

Maranhao is one of the states in which the Liberal Front has a major chance of victory in 1986. In the state of Senator Jose Sarney, vice presidential candidate on the Democratic Alliance ticket, the liberals already have the support of Governor Luis Rocha and 50 percent of the PDS rank and file. It is possible, meanwhile, that the PMDB and the Liberal Front--or the party which results from it--will join forces in the 1986 elections, an idea that is defended by the dissident sector of the PDS. Federal Deputy Jayme Santana, regional president of the PDS, believes that this coalition could easily elect Federal Deputy Eptacio Cafeteria (PMDB) as governor of the state. Even if the coalition does not materialize, what remains of the PDS would be relegated to third place.

Piaui

In Piaui, the Liberal Front is reserving command of the future party for Governor Hugo Napoleao. It believes that Napoleao, through his influence, will

attract two-thirds of the present PDS to the new party, making it a favorite in the 1986 elections. The PDS will assume second place, closely followed by the PMDB.

Ceara

The path which Adata Bezera, vice governor of Ceara, takes should determine the future of the party which will result from the Liberal Front. If he joins the party (as Governor Gonzaga Mota is already certain to do), he will turn it into the major political force in the state. The PMDB only has a chance of winning the election in Fortaleza, and Senator Virgilio Tavora's PDS would have difficulty taking more than third place.

Deputy Paulo Lustosa, one of the leaders of the Liberal Front in Ceara, does not rule out the possibility of an electoral accord between the future party and the PMDB. In that case, it would fall to the Liberals to name the gubernatorial candidate--probably Adata Bezerra--and to the PMDB to present the candidate for vice governor and for the mayor of the capital. One senate seat would go to Bezerra's group and the other to Gonzaga da Mota's group.

Paraiba

In the only northeastern state whose governor--Wilson Braga--supports Paulo Maluf, the PMDB has the greatest chance of gaining strength. Deputy Edme Tavares believes that the new party will be weak in Paraiba, since it only has one major leader, former Governor Tarcisio Burity. Tarcisio himself refutes this prediction, however. According to Tarcisio, the party of the Liberals will be the second political force in the state after the 1986 elections, but both he and Humberto Lucena, PMDB leader in the senate, are certain that the PMDB will retain the governorship in 1986.

Rio Grande do Norte

The PMDB could lose ground in Rio Grande do Norte with the creation of the Liberal Front party. Politicians in this state are predicting a coalition between the new party (led by Governor Jose Agripino) and the PDS, under the leadership of its chief, former Governor Lavoisier Maia. The PMDB, led by former Governor Aloisio Alves, could lose ground against this alliance.

Pernambuco

Led by Governor Roberto Magalhaes and Senator Marco Maciel, the party which will emerge from the Liberal Front in Pernambuco is already guaranteed to be at least the second political force in the state. The Liberals see the PMDB as the favored party in the 1986 election, under the leadership of Miguel Arraes Jarbas Vaconcelos and Cid Sampaio, but they admit to the possibility of a coalition with the PMDB. In that case, they would seek to name the gubernatorial candidate and leave the nomination of the mayor of Recife to the PMDB.

Alagoas

In Alagoas, according to the calculations of the Liberal Front members, the new party will win at least 50 percent of the votes in the 1986 elections.

They believe that the PDS will be left with 20 percent of the votes--representing one part of the conservative faction--and the PMDB would take another 20 percent of the progressive voters.

Sergipe

The Liberal Front leaders in Sergipe are optimistic. They are counting on the creation of a great party, led by Governor Joao Alves and including Vice Governor Antonio Carlos Valadares, Senator Albano Franco, Federal Deputy Jose Carlos Teixeira, former Governor Seixas Doria, Senator Lourival Baptista and 15 of the 24 state deputies, as well as 62 of the 74 mayors in the state. The PMDB and PDS would be weak parties, with their support running about even. In Sergipe as well, however, there are predictions of a coalition between the PMDB and the Liberal Front party.

Bahia

The possibility of a coalition between the new party and the PMDB is ruled out by both sides. If former Governor Antonio Carlos Magalhaes joined the Liberal Front, the new party would be strong enough to have a chance of winning the 1986 elections. However, if the PMDB settles its internal problems, it could present a threat. According to the PMDB and to the Liberals, only a small portion of the electorate would be left to the orthodox PDS.

Mato Grosso

The PDS in Mato Grosso is very rich, according to Deputy Milton Figueiredo (PMDB). This always makes it a strong contender in the elections. In 1986, however, the PDS will not be able to rely on the federal government. Even so, the Liberals will not be in a position to set up a big party in Mato Grosso and the most likely path is a coalition with the PMDB.

Rondonia

The Liberals expect that their party will be born in Rondonia with the [election] of the virtual favorite in the 1986 elections.

Santa Catarina

In Santa Catarina, the major party in 1986 should be the PMDB, with the PDS in second place, if Governor Esperidiao Amin abandons the PDS. In any event, the new party will come in third in popularity and prestige in the state.

Rio Grande do Sul

In Rio Grande do Sul, nothing is certain. The Liberal Front does not yet have enough strength to constitute an electoral alternative. The PDS, which is now the governing party, will face a discomfiting tradition: the governor has never been able to elect his own successor in Rio Grande do Sul. However, there will be a mitigating factor if Tancredo is elected president of the republic: "We will be the opposition in relation to the federal government," foresees PDS Senator Carlos Chiarelli. This time, however, the contest will most

probably be between the PMDB, benefiting from the fact that it will be in power in Brasilia, and the PDT [Democratic Workers Party].

Nature of New Party

Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Nov 84 p 12

[Article by Leticia Borges]

[Text] With the initiation of the process of collecting signatures for the manifesto launching the Liberal Front party, the last doubts were dispelled about the PDS dissidents' intention to formally establish a new party. The text of the document has not been divulged, but a reading of the first 10 signatures gives a precise measure of the shape which the new party group will take: a party of the center, liberal, with reformist tendencies--but a party of the ruling class.

Aureliano Chaves heads the list. He is a legitimate representative of the politicians of the old UDN [National Democratic Union] and of the ideals of the movement of March 1964--against corruption and subversion. When he still believed he could be the PDS candidate [for the presidency], he made long sermons against sharp dealing in politics, which attracted the old liberals, nostalgic for the moralism of the UDN. He started a dissident movement in the government and maintained an image that guaranteed him solid popular credibility.

The second signatory is Marco Maciel, who also supported the 1964 movement and has remained in the PDS (or ARENA [National Renewal Alliance]) for the last 20 years. Like Aureliano, he has built an image of a sincere, hard working and honest man. Linked with former President Ernesto Geisel, he helped to draft the April 1977 package which closed the National Congress. Politically, he has always been considered, at least, on the Center-Right, but today he dreams about a reformist party.

The third signer of the manifesto adds an ingredient that was missing: the support of the bankers. The family of Senator Jorge Bornhausen (Santa Catarina) has a long tradition in the banking sector; it has many other members who support the Liberal Front and who are even more prominent in the financial world than the senator from Santa Catarina.

The three names cited have one characteristic in common: they were appointed governors in their states. In other words, they all benefited from the power system which they condemn today. Will the public be able to distinguish them from the PDS--from the party of the government?

A program and manifesto are not enough to guarantee that a party will be progressive. The example of the PDS, with its highly reformist platform, speaking even of self-management, is too fresh to have been forgotten. It is clear that the political process is a dynamic one and leads to real changes of position. Politicians like Aureliano, Sarney and Marco Maciel have distanced themselves more and more radically from the central core of power, and this might serve as a guarantee that their party will move from the Right to the Center.

The leadership of the Liberal Front is also certain that there are still some spaces in the political party spectrum. The PDS has not performed its role as the instrument of transition so desired by Petronio Portelo and Jose Sarney. The opposition parties have always been forced to take positions further to the left than they actually represented. The [Liberal Front] believes that there has been a vacuum in the Center and this is the right moment to fill it.

To offset the weight of the bankers, like Olavo Setubal, Herbert Levy and Bornhausen, and the big businessmen (who, incidentally, have never been much concerned with organized politics but who are beginning to realize the importance of having a party as an instrument of action), the Liberal Front's constituency includes congressmen elected in the first popular mandate, young men who want to give the party a strong social-democratic connotation. Deputies like Saulo Queiroz (Mato Grosso do Sul) and Fernando Bastos (Santa Catarina), for example, even advocate a reference to social democracy in the party's label. They believe this is also an area waiting to be occupied, not by opposition politicians, but by themselves, and they are committed to fight for this in the process of forming their party.

6362

CS0: 3342/39

CHILE

1984 WOOD PRODUCTS EXPORTS UP BY ALMOST 19 PERCENT

Santiago EL MERCURIO in Spanish 23 Oct 84 p C-1

[Excerpt] According to Ivan Castro Poblete, executive director of the National Wood Products Corporation, the value of wood product exports for the period January-September 1984 reached a figure of \$295,870,837.

This figures is about 18.9 percent higher than that reached during the same period in 1983.

It is worth noting that the amount corresponding to the month of September was \$36,890,709.

"During these 9 months of 1984, with the exception of wood pieces, all aspects of the wood products industry increased in accumulated export value when compared to the same period last year," said Castro. "The largest increase is in the value of cardboard for perforated cards (59.7 percent); the second highest increase (28.9 percent) is in cellulose, followed in third place (20.9 percent) by boards and veneers."

The value of wood pieces showed a decrease in exports of 10.8 percent when compared to the same period in 1983, due mainly to a decrease in radiata pine. Its export value declined by 10.9 percent, while the value of wood pieces of other woods increased by 18.9 percent.

During this period, the main categories of exports in the wood products industry are: cellulose, representing 54.2 percent of the total value, lumber with 18.9 percent and newspaper with 9.6 percent.

The increase in the export volume is accompanied by a respective increase in value, said the director of CONAF. The former is higher in the cases of lumber and newspaper, but in the case of cardboard for perforated cards the increase in volume is smaller. Cellulose, on the other hand, shows a decrease of 2.6 percent in volume, and an increase 28.9 percent in value, based on average nominal prices.

12402

CSO: 3348/102

CHILE

FOREIGN INVESTMENT COMMITTEE APPROVES ECONOMIC PLANS

Santiago EL MERCURIO in Spanish 24 Oct 84 pp B-1, B-2

[Text] The work plan was dealt with in a session of the Foreign Investment Committee, presided by Modesto Collados, Minister of Finance and attended by the ministers of agricultures, ODEPLAN and the deputy minister of foreign affairs.

Yesterday the Foreign Investment Committee, presided by Modesto Collados, Minister of Finance, approved the work plan proposed by the Executive Secretariat for the last quarter of 1984 and for projects to be undertaken in 1984.

This was the first formal meeting held by the committee since the appointment of Oscar Libano as executive secretary of the group.

In addition to Minister Collados and the committee secretary, Luis Escobar Cerda, minister of agriculture, Luis Simon Figueroa, minister of ODEPLAN, and General Sergio Covarrubias, deputy minister of foreign affairs attended the meeting.

Covarrubias noted that he has had numerous meetings with Minister Collados and with each of the cabinet ministers on the committee in order to set up the work plan for the future.

Upon being asked about the expected goals, Libano noted that they plan on offering alternatives not only to foreign investors in mining, wood products and fisheries, but they also hope to provide ample opportunity for small- and medium-sized businesses. To this end he is soliciting the support of the private sector. A group of consulting committees has also been set up.

He stressed that foreign investment is one of the most important activities to be implemented within this new concept. He added that foreign investment is called upon to play a leading role in the reactivation stage through the contribution of foreign capital for the best utilization of the nation's resources, be they human or material.

Plan

Libano explained that the work plan, approved in the committee's session, takes into consideration specific actions in three areas: diffusion, marketing and the attraction of foreign investment. In order to accomplish these tasks, the committee's efforts will coordinate with the domestic and foreign private sectors, while simultaneously taking advantage of Chile's institutional experience abroad.

In order to do this, he added, consulting commissions will be set up. These will create initiatives which will encompass a broad spectrum of efforts to increase the net flow of foreign currency and technological development. Consultants will also help in the selection of export-promoting sectors, which will therefore generate the flow of additional foreign currency.

Libano noted that to this point the Executive Secretariat has carried out the administration and reception of foreign investors in Chile most efficiently, but he emphasized this new direction is going to seek out this investment, and to do this requires the broad coordination of the whole team.

Activities

Libano explained that the work plan also contains regulations for the development of projects of medium size or for the reactivation of companies which need more direct capital investment, or greater exploitation, and that eventually these could be developed as consolidated projects with foreign investors.

Among the activities planned for in this program, he mentioned the following: to establish links for technological development with the participation of foreign investment in exportable production; to promote means of foreign cofinancing for investment projects; and to select companies and sectors considered prioritary in the opinion of the private sector so as to promote direct ties between these and the eventual foreign partners.

He also hopes to establish contacts with the institutions which will insure the investments of their nationals abroad; with international banking and financial institutions interested in the promotion of foreign investment projects.

The program likewise includes permanent meetings with businessmen interested in mixed investments; with the Chamber of Commerce; with multinational business committees; with the international institutions and organizations contributing experiences and capital or development credits, etc.

When questioned, Libano said that the work plan does not include goals as to the amount of foreign investment since these are established in the Trienal program.

He recognized that there are great difficulties in obtaining foreign resources, not only for developing countries, but also for some industrialized countries, and for this reason the program deals with the way these goals will be met.

He also noted that through last September, net foreign investments into the country for the year totaled \$50 million, showing a decrease with relation to previous years. Nevertheless, he also noted that in the past obtaining foreign resources, especially credits, was much easier.

12402

CSO: 3348/102

AD CALLS ON CHILEANS TO DEMAND DEMOCRACY

PY091812 Madrid EFE in Spanish 0304 GMT 9 Nov 84

[Text] Santiago, 8 Nov (EFE)--The opposition coalition Democratic Alliance (AD) today called on all Chileans to demand democracy, for the good of Chile.

In a public statement the AD organization, an umbrella organization for Christian Democrats, Social Democrats, Socialists, Radicals, and Republican Rightists, today stated that the recent measures taken by the military regime are part of General Pinochet's aim to take the situation back to that prevailing on 11 September 1973.

This fact, the AD statement adds, reflects better than any statement the government's failure to start a real move toward a democratic system.

According to the opposition coalition, "General Pinochet's government, faced with a deep-seated moral, economic, social, and institutional crisis which affects the entire country, thinks that the way to cope with it is by implementing a repressive policy, thus preventing the discontent stemming from that crisis from being expressed."

The AD states that the country is not informed, but it knows that the arbitrary arrests, the raids, and imprisonments are back, and that the media cannot report these facts.

The coalition asks the rightwing parties to make up their minds, if they have not done so yet, whether they support the government in this authoritarian swing, or those who seek a return to democracy.

After expressing their most emphatic repudiation of the raids against the offices of political parties and of the ban imposed on the vicar of solidarity of the Catholic Church, Monsignor Ignacio Gutierrez, to reenter Chile, the AD leaders label these events as extremely serious for today's Chile and the Chilean future.

With these measures, based on the state of siege decreed by the military regime, "the government is setting the armed forces on an extraordinary dangerous path," the AD states. In the opinion of the opposition, "it is not through forceful means that social discontent will be prevented, that

deep-seated problems will be solved, that harmonious coexistence among Chileans will be achieved."

The AD argues that the repression which is again cracking down and will crack down will exacerbate the passions and the escalation of fratricidal violence, which is underway in our country.

The AD also calls for bravely facing the current times, adding that the Chileans will continue protesting, because no problem has been solved by force.

It is a time for decisions for our country, and it would be unworthy to keep silent when confronted with force, the AD statement concludes.

CSO: 3348/145

BRIEFS

LAGOS DECLINES ARGENTINE INVITATION--Santiago, 22 Nov (EFE)--Socialist leader Ricardo Lagos, the Democratic Alliance president, has said that the situation prevailing in Chile does not allow him to travel to Buenos Aires. In a message sent today to Senator Adolfo Gas, the Argentine Senate Foreign Relations Committee chairman, Lagos declined an invitation to attend a seminar on integration and democracy in Latin America. In his message, Lagos--the president of the main Chilean opposition coalition--stated that "I am very sorry to have to decline the invitation that you extended to me to attend a seminar that will be held tomorrow." He added that the difficult situation that our fatherland is experiencing, the imposition of the state of siege throughout Chile, and the upcoming mobilizations that the people will stage in demand of the restoration of democracy make it impossible for me to leave the country. [Excerpt] [Madrid EFE in Spanish 2324 GMT 22 Nov 84 PY]

CSO: 3348/145

BRIEFS

NEW ICEL MANAGER--Gustavo Lozano Cardenas yesterday assumed the post of manager of the Colombian Electric Power Institute [ICEL], replacing Juan B. Perez Rubiano who resigned to join the Senate. [Summary] [Bogota EL SIGLO in Spanish 7 Nov 84 p 10 PA]

JAPANESE CREDIT--Cali, 13 Nov 84--Oscar Mazuera Gonzalez, director of the Cauca Autonomous Regional Corporation, CVC, has reported that Japan will grant the concern an \$88.3 million loan for the construction of Calima III, a new hydroelectric plant, in 1986. Favorable terms include a 4.75-percent annual interest rate, 25 years to pay, and a 7-year grace period. [Summary] [Bogota EL TIEMPO in Spanish 14 Nov 84 p 4-b PA]

NEW OIL FIELD--A new oil well, with a daily production capacity of 1,700 barrels, has begun operating in the "La Gloria-Norte" field in Casanare Intendancy. The Colombian Petroleum Enterprise, ECOPETROL, reported yesterday that national oil production during September totaled 168,314 barrels per day, the highest in the country since 1974. Average production thus far this year is 165,583 barrels per day, which is 11.7 percent higher than in 1984. [Summary] [Bogota EL TIEMPO in Spanish 2 Nov 84 p 5-b PA]

THREE MORE NATIONALS EXTRADITED--Yesterday President Belisario Betancur authorized the extradition of three more Colombians to the United States. The measure was adopted 48 hours after the government allowed the extradition of football director Hernan Botero Moreno and Manuel Antonio Garces Gonzelez. The Supreme Court has already approved the extradition of Alberto and Nayib Ricardo Pabon Jatter, who are brothers, and Marco Fidel Cadavid Calle. The resolutions whereby the extradition treaty signed with the United States is fulfilled, is signed by the president and Justice Minister Enrique Parejo Gonzalez. The three defendants, Alberto and Nayib Ricardo Pabon Jatter and Marco Fidel Cadavid Calle, are under arrest at the La Picoto Central Penitentiary of Colombia in Bogota. [By Ramiro Castellanos] [Excerpts] [Bogota EL TIEMPO in Spanish 17 Nov 84 pp 1-a, 7-a PA]

CSO: 3348/142

PARTY OFFICIAL COMMENTS ON ROLE OF JOURNALISTS

Havana JUVENTUD REBELDE in Spanish 21 Oct 84 p 2

[Excerpts from the speech by Orlando Fundora, an alternate member of the Central Committee of the party, at the ceremony commemorating the 19th anniversary of JUVENTUD REBELDE]

[Text] "The ongoing struggle to achieve the goals of reflecting the interests of young people as well as possible and of reporting compellingly on the activities of our worker, student, combatant and internationalist youths is the paper's major accomplishment during its 19 intense years of journalistic efforts," stated Orlando Fundora, an alternate member of the party's Central Committee and head of its Revolutionary Orientation Department, at the close of the ceremony honoring the anniversary of JUVENTUD REBELDE.

"The newspaper," he added, "has to work much harder to voice criticisms and opinions relating to its purpose and focus more closely on the substantive rather than the incidental problems that are plaguing our young people and that have been accorded inadequate attention and, therefore, not resolved; it should also focus more closely on shortcomings in the management of certain institutions or on the negligence of certain officials."

With regard to the development of opinion journalism in JUVENTUD REBELDE, Fundora stated that editors are starting to react positively and practice this sort of journalism more systematically, more incisively and more responsibly. "We are certain that these initial steps will be followed by others that will bring us even better results."

"I find it indispensable to repeat that the ultimate goal of criticism is to lend a hand. Therefore, it does not end with pointing out defects, mistakes and inadequacies; it must also help to eliminate them and point up the positive examples that should be better known.

"I one time heard Fidel say that to be a critic one must be virtuous. One must also be responsible, to avoid misinterpretations and a lack of rigor that could lead to errors or inaccuracies that would tarnish the prestige of a newspaper and, more importantly, criticism itself.

"The critics in our mass media," he went on to say, "must also give a good example and be self-critical. Above all, though, they must realize that expressing their views in hundreds of thousands of newspaper copies does not make them infallible or authorize them to judge everything.

"The paper, journalist or press workers leader who makes a mistake should publicly and straightforwardly acknowledge his error in his paper as promptly as necessary. He will thus help to strengthen the critical awareness that is so necessary in the building of socialism.

"We see criticism as an educational process, for those who run the media, for the critics themselves and for the audience."

Further on Fundora asserted: "But criticism alone does not make a good newspaper. It must also offer intelligent, fresh and attractive propaganda for the revolution's accomplishments and in defense of its principles. It also needs to reflect, with a high degree of professionalism, the human qualities of the individual featured in lead articles, interviews and commentaries."

Elsewhere in his address he stated that the leadership of Communist Youth works systematically to further the paper's editorial goals, fosters exchanges of experiences to enrich the newspaper's activities among young people, urges all areas and levels of the UJC [Union of Young Communists] leadership to further these goals, and thus helps JUVENTUD REBELDE in a clear-cut way to become an increasingly faithful reflection of the young generation's activities.

Citing an area that could be improved, he indicated that "no pathway can be ruled out in our efforts to make our journalism's assessments more in depth, to eliminate verbosity and to move towards a technically impeccable and practical presentation of the marvelous work that all our people are doing."

In his remarks Fundora emphasized that "today more than ever we must be prepared to confront and overcome any onslaught by the imperialist enemy and to defeat his criminal designs, in particular his campaigns of disinformation and ideological deviationism."

"We are convinced that with the same revolutionary drive and enthusiasm as always, this group will be willing and ready to carry out the tasks that our party entrusts to it in mobilizing and organizing the masses.

"The years have provided you with experience, and the experience has led to successes," the head of the Central Committee's Revolutionary Orientation Department concluded. "This now mature newspaper must always write with the freshness and diversity of a youthful paper and with the vitality that is intrinsic to rebelliousness, thus remaining faithful to its name."

TV HUMOR STILL AN ISSUE DESPITE NEW SHOWS

Havana TRABAJADORES in Spanish 18 Oct 84 p 6

[Commentary by Wilfredo Cancio Isla: "TV Humor Finally Taking Off?"]

[Text] I am returning to the serious problem of humor on Cuban television to voice my disagreement with some easily pleased individuals who feel that the successive mistakes in our comedy programming are completely behind us and are even talking about a striking improvement in recent months. I am not denying that there have been certain glimmers of hope since the friendly controversy that led to widespread debate on the issue at the UNEAC [National Union of Cuban Writers and Artists] gathering. But complacency is not in order. Wouldn't it perhaps be more accurate to speak of a relative improvement?

Cuban Television has unquestionably made an effort to resolve the so-called humor crisis. New and innovative programs have appeared, and even though the recent comedies "Tourists of Necessity" and "Grandmother's Birthday" by Erdwin Fernandez and the series "Tito the Cab Driver" by Humberto Garcia Espinosa, are still not at the level that we necessarily aspire to, it is also true that they deserve credit for shattering the old rigid formulas and the spatial pigeon-holing (comedy has finally taken to the streets!) that have been the rule on TV comedies.

These programs along with an improved "Commentaries," Erdwin Fernandez's Sunday show, have sown the seed of hope. In my judgment, Fernandez's program stands out as the most accomplished effort at humor on our TV schedule. I feel this way because it is based on a well-written and magnificently produced script that on a low budget takes advantage of an actor's real potential in amusing real-life situations. This is its central virtue: addressing current national life by taking jabs at our failings and reaffirming our virtues, once again bearing out the judgment of the Soviet critic N. Dimitrieva that "that which can withstand the scrutiny of humor and not be the less for it is solid."

But alongside these shining lights are other long-time programs that seem to typify TV's reluctance to alter its fossilized formulas. It has rightly been said that one of the key problems with comedy programming in recent years is its setting. Note that the popular shows "If It Weren't for Mama" and "Behind the Facade," as well as Radio Progreso's "After-Dinner Laughs," are invariably set in a living room, and this same formula was transferred to "At Home With Chely," which is fortunately now off the air. If to the confining set we add the hackneyed comedy of manners, the simplistically exaggerated speech and the weak situations, then not even the most renowned talent could clear a path to humor.

These formula comedies have caused us to calmly and damagingly confuse comedy with laughs and to often forget the maxim that humor should help us to better ourselves and enrich our spirit. Comedy can always be laughed at, but what can be laughed at is comedy only when it involves an esthetic interpretation of social realities. For example, we could say that Melesio's and Paco's outrageous behavior on "If It Weren't for Mama" causes some viewers to break up; yet this is not humor because it merely serves to ridicule, not to transform customs.

Humor, satire and irony, which are forms of comedy, must seek to set guidelines and abolish inappropriate behavior and habits in our socialist society. Marx talked about joyfully bidding farewell to the past and transforming the present. The point is not to create ludicrous stereotypes who exhibit boisterous manners and behave strangely. TV humor must banish the deep-seated vices that have been limiting it. Getting back to the cases in question, does Erdwin Fernandez on "If It Weren't For Mama" and "Commentaries" manage to do this? Or what about Reinaldo Miravalles in the films "The Twelve Chairs" and "The Birds Firing at the Shotgun" or Melesio?

Furthermore, care must be taken in the selection of actors. One of the fundamental problems lies in the characters. Many of them are artistically well developed; when they are portrayed, however, by actors who are effective in dramatic roles but who lack a sense of comedy (which not even the most iron-like determination can develop), they are unable to convey the comedic message. We will recall, for example, a pilot on the Marcos Behemaras Theater ("And They Became Artists"), in which aside from the same old ruinous formulas and attempts at comic speech, the cast showed little potential in the genre.

Cuban Television needs the assistance and cooperation of all possible elements to surmount these difficulties. We must find people with the talent to express our people's proverbial wealth of humor and gift for satire. I would also stress that to laugh at a situation, or perhaps most importantly, to internalize the humor, the spectator must first believe in it; boldness is not synonymous with incoherence.

Moreover, systematic links are needed with other artistic entities and spheres of activity for advice and input. The recently established Humor Subsection in UNEAC could be a decisive contribution in this regard.

The cinema, the theater and the graphic arts have lately shown how effective they can be in the building of socialism here; they have even addressed current, controversial issues. Television has a challenge before it today. Though we have indicated some praiseworthy efforts, the average level is still unsatisfactory. Television viewers are awaiting the definitive takeoff.

8743

CSO: 3248/109

CARLOS RAFAEL RODRIGUEZ ADDRESSES CEMA CONFERENCE

Havana GRANMA in Spanish 30 Oct 84 pp 2-3

[Speech by Dr Carlos Rafael Rodriguez, chairman of the CEMA Executive Committee, about the report on the organization's activities between the 37th and 39th sessions; date and place not given]

[Text] Esteemed comrade president:

Esteemed delegation chiefs:

Esteemed comrades:

The Executive Committee has given you a report on CEMA activities between the 37th and 39th sessions.

CEMA's practical activities during the period covered in the report came about during preparations for the Summit Economic Conference of the member countries of CEMA and its realization. Therefore, the Executive Committee and the other CEMA organs were directing their attention to preparations for the conference and putting the provisions of the final documents as well as the resolution approved at the 38th extraordinary session into practice. Also the Executive Committee has been concerned with carrying out the tasks defined in the "organizational measures to carry out the resolution of the Summit Economic Conference of the member countries of CEMA."

The Executive Committee passed a resolution on the procedure for a detailed study of the proposals presented at the conference. That resolution contains recommendations made to the member countries of CEMA as well as tasks for the CEMA organs related to a series of important problems in economic cooperation and integration.

During the period examined, the member countries of CEMA continued working to improve the efficiency of social production and, as a result of the summit, the passage of their economies to intensive development. They focused their attention on the most rational exploitation of the scientific, technical and productive potential and all the resources, the technical requirements of the national economy and improvement of its structure.

The economies of the member countries of CEMA have been developed under difficult internal and external conditions.

We cannot forget the characteristics of the current international situation. Its dominant trait is the policy of confrontation that the aggressive circles of imperialism practice. This mainly refers to U.S. imperialism with its attempts to impose military superiority and apply a policy of force, interference in internal affairs and contempt for the national independence and sovereignty of other countries. The threats to peace in the Middle East, the encouragement to South Africa that prevents application of UN Resolution 435 and makes the aggressions against Angola and other countries of the Front Line possible and the continued hostility toward Cuba and Nicaragua in Central America by the U.S. administration in which the use of military force has not been renounced shape the circumstances in which the member countries of CEMA must develop their economic activities.

All this imposes on the member countries of CEMA the unavoidable need to assign considerable means to maintain the defensive capacity of the socialist community at the proper level.

Meanwhile, the economic situation of the capitalist world continues to be unstable and contradictory. This provokes an abrupt worsening of its internal social problems. Trade relations between the member countries of CEMA and the developed capitalist countries are affected by intensification of discrimination, the embargo and trade bans against member countries and an unfavorable situation in the main world markets caused both by the recession that affects many of them as well as the protectionism they implement and threaten to extend.

Economic and technical cooperation between the member countries of CEMA and the developing countries is influenced by those negative and unstable conditions in the world capitalist economy. The old colonial and neocolonial ties persist. The unequal trade that the capitalist countries impose on the underdeveloped countries through their economic relations is intensified. Therefore, their economies have suffered the consequences of a steady drop in prices of raw materials, increased protectionism, increased prices of finished imports that they consume and high interest rates that continue to increase the debts that overwhelm those countries. All this has increased the deficits in the balance of payments of the majority of the underdeveloped and developing countries and has diminished their capacity for international trade. The foreign debt of these countries is already more than \$800 billion and the amortization and interest they must pay annually for that debt total more than \$130 billion.

With these international circumstances, the agreements adopted at the Summit Economic Conference by the member countries of CEMA acquire special significance. They agreed to strengthen their unity even more, develop and expand socialist economic integration and join forces in the fight for peace and progress.

We can express our satisfaction because the report shows how the majority of the member countries of CEMA successfully conquered these internal and external

difficulties and laid the bases for the subsequent socioeconomic development of our countries through mobilization of internal reserves and mutual cooperation. The report confirms that the national income of the member countries grew dynamically and the volume of industrial production increased. Although there are still many possibilities for exploiting the agricultural and livestock production of our countries, the agricultural-livestock sector of the member countries of CEMA developed successfully as a whole during the period we are examining. The general trade of the member countries of CEMA increased and reciprocal trade among our countries grew even more rapidly. The stable development of the economies of the member countries insured a steady improvement in the standard of living of the workers. Retail mercantile trade expanded and the nonproduction sphere developed. The educational and cultural level of the people rose and medical care for the people as well as social security improved. All the countries carry out a planned housing construction program.

The stability and continual growth in the economies of the member countries reflected in this report along with the insecurity and instability in industrial production, trade and the monetary situation of the developed capitalist countries demonstrate the historic superiority of socialism.

We can already mention some of the preliminary results of the Summit Economic Conference through the realization of the proposed "organizational measures." The CEMA Committee for Scientific and Technical Cooperation is drawing up the Integral Program for the Scientific and Technical Progress of the Member Countries of CEMA which covers a period of 15 to 20 years. It includes the implementation of electronic technology in the national economies of the countries, integral automation that makes flexible production possible, the accelerated development of nuclear energy, the creation and assimilation of new types of materials and technologies as well as the use of biotechnology, both in the social sector as well as in production.

The CEMA Committee for Planning Cooperation has already begun to draw up the construction program of electronuclear powerplants and nuclear powerplants to supply heat up to the year 2000, keeping in mind the possibilities of guaranteeing nuclear fuel and the necessary equipment for them.

It is also carefully studying the Soviet proposals on cooperation of interested countries in the construction of a major pipeline from western Siberia to the western border of the Soviet Union to increase gas supplies from the USSR.

In the period reported on, the member countries of CEMA and the CEMA organs have also focused their attention on coordination of national economic plans for 1986-1990.

The member countries of CEMA continued to attend to the fulfillment of long-term trade agreements for the current 5-year period. We can say that, as a whole, those agreements have been carried out with good results. Through them, the supplies of machines and equipment, including those in the production of automation and cooperation agreements, have increased.

Also progress in the fulfillment of the general agreements in microelectronics, the technology of microprocessors and robotics for the report period was analyzed. Some progress has been achieved. The nomenclature of the Single Unified Base of Electronic Articles was approved and agreements on the development and specialization of production of chemical materials and semiconductors with ultrapure substances were signed.

In order to increase the efficiency of the national economies of the member countries of CEMA, the Executive Committee has taken measures to accelerate the organization of production and the mutual exchange of modern means in the technology of microprocessors, robotics, electronic articles and, especially, electronic microcircuits, technological equipment and special materials.

The report shows how drafts have been prepared for cooperation agreements involving the production of large-capacity dump trucks, bulldozers, heavy tractors for laying pipes and similar equipment as well as accessories, sections and parts for them. It is necessary to guarantee even broader participation in cooperation for these productions in the future.

The more complete satisfaction of the needs for energy, fuel and raw materials of our countries continues to receive special attention. The draft for long-term integral measures aimed at satisfying the rational needs for energy, fuel and raw materials of the member countries until 1990 and longer has been presented to you.

The continued development of nuclear energy is verified. It can be seen that the reciprocal deliveries of specialized equipment for electronuclear powerplants took place, in general, within the terms established on the construction timetable, complying with the stipulations of the General Agreement that governs this sphere.

The unified electric energy systems of the member countries of CEMA also continue to develop.

According to the General Agreement to Expand Oil Refining, a series of modern oil refining complexes have been implemented in the People's Republic of Bulgaria, the RPH [Hungarian People's Republic], the GDR, the Polish People's Republic, the RSR [Socialist Republic of Romania] and the USSR. This made it possible to increase obtainment of clear oil derivatives by about 5 or 6 per cent. At the same time, the countries participating in the agreement, applying the agreed-on technical policy for rational use of oil, managed to significantly decrease the consumption of fuel oil in the thermoelectric powerplants.

Collaboration on the construction of the Krivoi Rog Mining-Metallurgical Complex in the USSR with a capacity of 7.6 million tons of high quality iron ore (in terms of metal) has been organized. This lays the bases for the stable satisfaction of part of the import needs of that raw material in the RPH, GDR, RSR and RSCH [Czechoslovak Socialist Republic] through this supply from the USSR after 1990. However, there is some delay in the preparation of the drafts for bilateral collaboration agreements in this sector.

During this period, integral measures of collaboration to improve the food supply to the people in the member countries of CEMA started to operate. New agreements were prepared and some already existing ones have been expanded in order to fulfill the tasks included in these integral measures.

The measures in the Specific Program for Long-Term Cooperation for the Development of Transportation have been carried out.

The member countries of CEMA and the CEMA organs draw up and carry out measures of cooperation that help accelerate development and increase the economic efficiency of the RSV [Socialist Republic of Vietnam], the Republic of Cuba and the RPM [Mongolian People's Republic].

Also 15 general multilateral agreements and a series of cooperation programs in the most important branches of the economy, especially those that help increase the export potential of these countries, are being carried out.

The multilateral measures are tied to a broad development of cooperation between the interested member countries of CEMA and the RSV, Republic of Cuba and the RPM on the bilateral level. These include the establishment of economic objectives, concession of credit under advantageous conditions, the application of incentive prices for agricultural products and products of the mining and transforming industries and free aid.

Expansion of the participation of the RSV, the Republic of Cuba and the RPM in the international socialist division of labor and in production cooperation is a very urgent task.

The Executive Committee will carefully watch the measures aimed at helping the development of the economy, science and technology of these three countries. The Executive Committee assigned the CEMA Secretariat to make a study, keeping in mind the considerations of the RSV, Cuba and the RPM. This concerned expanding and improving cooperation and development of the socialist economic integration between the European member countries of CEMA and these three countries. It was to draw up concrete proposals and report to the Executive Committee on the progress of this work so that the Executive Committee could present it to the 40th CEMA session.

The Executive Committee noted the 20th anniversary of the agreement between CEMA and the RSFY [Socialist Federal Republic of Yugoslavia] concerning the latter's participation in the work of CEMA organs. This agreement based on the principles of complete equality of rights, respect for sovereignty, national interests and mutual benefit was a significant step in the development of economic, scientific and technical cooperation between Yugoslavia and the member countries of CEMA. It contributed to the strengthening of the multifaceted ties and fraternal friendship between them. It cited the development of foreign trade between the RSFY and the member countries of CEMA. It is important to note that the trade between the RSFY and the member countries of CEMA constitutes 40.5 percent of Yugoslavia's foreign trade.

At the Executive Committee meeting, confidence was expressed that the mutually beneficial participation of the RSFY in multilateral cooperation with the

member countries of CEMA will continue to play an important role in their economic development and in the strengthening of the positions of socialism in the world.

Economic, scientific and technical cooperation with the RSFY, Finland, Iraq and Mexico continued to develop.

The CEMA Collaboration Agreement with the revolutionary Republic of Nicaragua is beginning to be implemented.

In September, the first meeting of the Joint Commission for CEMA collaboration with Nicaragua was held. The commission noted that interested countries expressed their willingness to lend assistance to Nicaragua to carry out projects through bilateral cooperation.

A list of 31 sectors and objects for possible collaboration between the member countries of CEMA and Nicaragua on the multilateral level was also approved. The coordinating and participating countries for collaboration on concrete objectives were determined.

There was attention to the questions of development and expansion of cooperation with the developing countries, especially the countries that are oriented toward the socialist road to development.

In accord with the Summit Conference agreements and with CEMA policy, special emphasis on this problem will continue in the future.

The Executive Committee examined some aspects of UN activity, including the results of the 38th session of the UN General Assembly. Also possible initiatives of the member countries of CEMA in UN organizations were analyzed as to intensification of the measures concerning international economic relations and establishment of the interrelationship between disarmament and development.

In the period we analyzed, CEMA contacts with international economic organizations have continued to develop.

Esteemed comrades:

Fulfilling the commission of the Executive Committee, I have emphasized to you some of the main problems in the report we have presented for the consideration of the session. I beg you to go over that report.

Thank you for your attention.

7717

CSO: 3248/106

JOINT COMMUNIQUE WITH MONGOLIA PUBLISHED

Havana GRANMA in Spanish 23 Oct 84 p 5

[Text] The minister of foreign affairs of the RPM [Mongolian People's Republic], comrade Mangalyn Duguersuren, made an official and friendly visit to Cuba from 14 October to 18 October 1984 at the invitation of the Cuban minister of foreign relations, comrade Isidoro Malmierca.

During his stay in Cuba, the Mongolian minister of foreign affairs was received by Carlos Rafael Rodriguez, member of the Politburo of the PCC [Communist Party of Cuba] and vice president of the Council of State and Council of Ministers of Cuba. He also met with Jesus Montane Oropesa, alternate member of the Politburo and member of the Secretariat of the Central Committee of the PCC. Both meetings took place in a fraternal and friendly atmosphere.

M. Duguersuren placed a floral wreath at the monument to Jose Marti, National Hero. He also visited the Amistad Cubano-Mongola agroindustrial complex and economic and cultural centers in Havana City Province and the Isle of Youth, learning about the life and successful work of the fraternal Cuban people in the construction of socialism.

The talks between the two ministers took place in a friendly atmosphere of mutual understanding.

The two reported on the development of socialist construction in their respective countries and held a general exchange of viewpoints about bilateral relations and the international situation. They agreed fully on the topics covered.

The two ministers both pointed out that the relations of fraternity, friendship and close cooperation between the RPM and Cuba deepen and develop constantly based on the principles of Marxism-Leninism and socialist internationalism. They announced the joint decision of their governments to continue to strengthen and develop these relations in the interest of the Cuban and Mongolian peoples and for peace and socialism. The leading role of the PPRM [expansion unknown] and the PPC in the steady consolidation of foreign relations between the two countries and peoples was emphasized.

The Mongolian minister highly praised the historic successes achieved by the Cuban people in the construction of the socialist society, under the leadership

of the PCC. He repeated the firm support of the Mongolian people and their government for the struggle of the Cuban people in defense of their revolutionary conquests facing the hostility of U.S. imperialism.

M. Duguersuren pointed out that Cuba's active foreign policy greatly contributes to the strengthening of peace, national independence and the social progress of the peoples. He emphasized the importance of Cuban internationalist aid to the movements of liberation of the peoples of Asia, Africa and Latin America as well as its role within the Movement of Nonaligned Countries and in the strengthening of its unity.

The Mongolian minister of foreign affairs strongly condemned the aggressive U.S. plans against the Cuban Revolution, its economic blockade of Cuba and its interference in Cuba's internal affairs. He spoke out for the unconditional return of the territory that the U.S. naval base in Guantanamo occupies.

The Cuban minister highly praised the successes and advances of Mongolia in the construction of a socialist society and the improvement of the well-being and cultural level of the workers. He warmly saluted the Mongolian people, soon to celebrate the 60th anniversary of the proclamation of the RPM.

The two ministers emphasized the steady progress of the two governments toward the multilateral strengthening of relations of friendship and cooperation with the Soviet Union and other fraternal socialist countries to consolidate the unity of the socialist community as the main bastion of the forces of peace and progress.

They pointed out the decisive significance of close cooperation and mutual action by the fraternal countries in CEMA for the successful fulfillment of the tasks in their continued economic and social development. They felt that the results of the Economic Summit Conference of the member countries of CEMA mark an important step in the development of integration of socialist economies and strengthening of the economic potential of true socialism. They revealed their conviction that the 39th session that will be held in Havana will be an important step for carrying out the agreements of that conference.

Both ministers expressed their serious concern about the extremely dangerous aggravation of the international situation as a result of the aggressive policy of confrontation carried out by the United States and its main allies in NATO. These circles chose the road of disrupting the strategic military parity established, achieving military superiority and greatly intensifying the arms race which increases the nuclear threat. They resort to state terrorism and the use of force to solve international problems. They aspire to destroy the bases of the postwar balance and make the forces of militarism and revanchism crop up again.

The two ministers feel that the maintenance of peace, the end of the arms race and concrete measures toward disarmament, especially nuclear disarmament, are priority tasks now.

Both ministers pointed out the danger for world peace that the installation of U.S. medium-range nuclear missiles in some countries in Western Europe

represents. They demanded their withdrawal as an indispensable condition for the resumption of negotiations on limiting nuclear weapons. They spoke out for the urgent adoption of measures to prevent the militarization of space.

Both ministers expressed the firm conviction that the current dangerous international situation can be overcome. They felt that the right road was taken by the constructive initiatives contained in the Prague Declaration of 1983, CEMA's in 1984 and other joint documents of the socialist community.

Both ministers expressed their support for the just fight of the peoples of Asia, Africa and Latin America against imperialism, colonialism, neocolonialism, racism, apartheid and Zionism and for the conquest of freedom, national independence, peace, security, social progress and a new order in international economic relations.

Examining the situation in Latin America, the ministers pointed out with concern the worsening of the situation in Central America and the Caribbean due to the escalation of interference and military threats unleashed by the Reagan administration. It is trying to destroy the Nicaraguan Revolution and stop the revolutionary process in El Salvador. They pointed out the need for negotiations to find a political and just solution to the conflict. They also revealed their support for the initiatives of the Nicaraguan Government and the efforts of the Contadora Group.

The two ministers confirmed their support and internationalist solidarity with the Nicaraguan people in their fight to defend freedom, independence and the revolutionary conquests in their country. They demanded that the United States cease its maneuvers and subversive actions against revolutionary Nicaragua.

Both ministers highly praised the advances achieved by the Salvadoran people in their just struggle. They expressed their firmest solidarity and supported a negotiated solution to the conflict as the FMLN [Farabundo Marti National Liberation Front]-FDR [Revolutionary Democratic Front] has proposed and international public opinion demands.

They also supported the Patriotic Revolutionary Movement in Guatemala.

Both ministers felt that the U.S. criminal invasion of Grenada demonstrated with particular harshness its aggressive and interventionist policy. They reaffirmed the nonvalidity and illegitimacy of all the arguments used by the invaders to try to justify it. They demanded the immediate withdrawal of the interventionist forces that occupy Grenada.

The foreign ministers of Cuba and Mongolia denounced U.S. annexation aspirations toward Puerto Rico. They showed their support for the just struggle of these people for sovereignty, self-determination and complete independence. They also demanded a solution to the problem of the Falkland Islands based on the resolutions adopted in the United Nations.

Both ministers spoke out in favor of the struggle of the people of Panama to regain sovereignty over the Canal Zone.

The two ministers confirmed their complete support and solidarity with the revolutionary struggle of the heroic people of Chile against the opprobrious fascist regime of Augusto Pinochet.

Both ministers expressed their serious concern about the situation in Asia and Oceania as a consequence of the U.S. adventuresome course to increase tension in this region. They strongly condemned the measures adopted by the United States and its allies to create new aggressive political-military groups in Asia, converting several of its regions into platforms for first-strike nuclear missiles.

The two ministers emphasized that a solution to the problem of Southeast Asia is only possible through political dialogue among the parties directly involved, without foreign intervention. Mongolia and Cuba resolutely condemn the Chinese attacks against the independence and territorial integrity of the RSV [Socialist Republic of Vietnam] as well as the armed aggressions by Thailand against the RDPL [Lao People's Democratic Republic]. They firmly support the just struggle of the peoples of Vietnam, Laos and Kampuchea in defense of freedom, independence and revolutionary conquests against the maneuvers and aggression of the forces of imperialism, hegemonism and the reactionaries. They spoke out in favor of the peace initiatives of the three Indochinese countries to convert Southeast Asia into a zone of peace, stability and cooperation. They showed their endorsement of the government of the People's Republic of Kampuchea as the authentic representative of the Kampuchean people.

The two ministers firmly supported the efforts of the people and government of the Democratic Republic of Afghanistan in defense of the conquests of the April revolution. They demanded an end to foreign intervention in the affairs of this country. They spoke out for a political solution to the tense situation created around that country based on the public proposals of the GDR government.

Both ministers spoke out again in support of the just struggle of the Korean people to reunify their fatherland peacefully and democratically without foreign interference. They emphasized the urgent need for the withdrawal of U.S. troops from South Korea.

The ministers once more confirmed their support for the efforts of the non-aligned countries aimed at the urgent convocation of an international conference to convert the Indian Ocean into a peace zone.

Both ministers saluted the peace-loving policy of the government of India and emphasized the importance of its term as president of the Movement of Non-aligned Countries. They condemned the maneuvers of certain imperialist circles against national unity and the territorial integrity of this country through encouragement of separatist elements.

The RPM and Cuba spoke out for the development of a wideranging dialogue among interested countries with the objective of a political solution to the problems existing in the different regions of Asia to convert that region into a continent of peace and good neighbors. Realization of the constructive proposals of the USSR, other socialist countries and the peace-loving Asian states,

including the proposal of the RPM about signing a mutual nonaggression pact and the nonuse of force in relations among the states of Asia and Oceania, would help achieve these objectives.

The Cuban minister highly praised the practical actions of the RPM to carry out that proposal. The Cuban minister also expressed his full support for the initiatives of the Mongolian Government at the UN General Assembly concerning debate of the "right of the peoples to peace."

The Cuban and Mongolian foreign ministers denounced the aggressive and criminal policy of Israel and the United States in the Middle East. It creates a serious danger to peace in the region and throughout the world.

They said that a stable peace in the region can only be achieved through full recognition by Israel and its allies of the rights of the Palestinian people to create an independent state. They spoke out for the convocation of an international conference of all interested parties, including the PLO as only legitimate representative of the Palestinian people.

They strongly condemned Israel's brutal aggressions against Lebanon and showed their solidarity with the Syrian Arab Republic which resolutely confronts the Israeli attacks.

The RPM and Cuba spoke out for an immediate end to the war between Iran and Iraq and for settlement of the conflict through negotiations.

Both ministers condemned the U.S. conspiracy with the racist regime in South Africa which applies the policy of apartheid and colonial exploitation of the peoples of South Africa and Namibia and carries out aggressions against the countries of the Front Line. They demanded the application of UN Resolution 435/78 on Namibian independence.

The ministers repeated their complete and firm support for SWAPO [South-West African People's Organization] as the only legitimate representative of the people of Namibia.

They also reaffirmed their support for the ANC [African National Congress] in South Africa.

Both ministers condemned and denounced the continued aggressions of the apartheid regime against the People's Republic of Angola, demanding the immediate withdrawal of the racist troops from the illegally occupied territory and an end to aid to the counterrevolutionary bands.

The Mongolian minister highly praised the Cuban internationalist contribution to the defense of Angolan independence and territorial integrity and expressed his full support for the joint declarations signed by both governments.

They strongly rejected U.S. and South African maneuvers aimed at conditioning Namibian independence on the withdrawal of Cuban internationalist troops from Angola.

The Cuban and Mongolian foreign ministers revealed their complete endorsement of Socialist Ethiopia and saluted the successes achieved in the consolidation of the revolutionary process of that fraternal country.

Both parties expressed deep concern about the worsening economic situation of the developing countries as a result of the economic crisis of capitalism and the constant growth of their foreign debts to the West.

The two ministers spoke out for an improved role of the United Nations as an instrument to strengthen world peace and constructive cooperation among the states.

The ministers expressed their confidence that the results of their talks will help deepen relations and cooperation between the two countries.

The Mongolian minister of foreign affairs invited the Cuban minister to make an official and friendly visit to the RPM. This invitation was accepted with pleasure.

Havana City

18 October 1984

"Year of the 25th Anniversary of the Triumph of the Revolution"

7717

CSO: 3248/104

COMMUNICATIONS ASSISTANCE TO THIRD WORLD REVIEWED

Havana CUBA INTERNACIONAL in Spanish Oct 84 pp 62-65

[Article by Javier Rodriguez]

[Text] Communications are undeniably important to a country's development, and their strong impact on each economic and social sphere accords them an irreplaceable role.

This fact is all the more obvious in today's world, in which science has practically eliminated distances and in which expanded information channels make known the aspirations and conditions of peoples and regions in every corner of the planet.

As in other facets of human activity, of course, the capitalist powers and the U.S. transnational corporations in particular have managed in many instances to gain control of communications in a bid to influence or determine the political or economic policies of underdeveloped nations.

Thus, in pursuit of these ends they prevent access to new know-how, impose extremely high costs on the acquisition of essential equipment, hamper a just transfer of technology, monopolize the media or distort the news at their whim. We should also remember that they are delaying progress among poor countries in communications aimed at spurring production programs.

Thus, it is a truly striking development that fraternal cooperation in communications has been established between nations that seek to build relations devoid of the egoism and pillaging that characterize the "aid" that imperialism so generously provides.

Hundreds of Cuban communications specialists and technicians have written wonderful pages in the history of such cooperation in numerous countries on different continents. Cuban professionals have been and are still involved in projects of far-reaching importance for nations to which colonialism and its aftermath, underdevelopment, denied the right to carry such programs out.

These internationalist efforts intensified after 1973, benefiting, among other nations, Mozambique, Angola, Guinea Bissau, Equatorial Guinea, Zaire, Nicaragua, Grenada, Vietnam, Laos and Kampuchea.

Cuba's internationalists, along with the workers and specialists in those countries, have scored many successes through long days of joint work. We will mention some of them to give readers an idea of what has been accomplished, and then we will let those who were directly involved relive in their own words their experiences.

In the People's Republic of Mozambique, for example, hardworking Cubans and Mozambicans scored great successes in setting up and running the country's communications network, starting with the installation of a tropospheric-scatter station in Maputo, the capital.

Success did not come easily. In addition to tenacious, highly skilled work by some 80 Cuban specialists starting in 1979, it required a complex study of the geography of the African nation, not to mention overcoming the difficulties posed by major topographical irregularities in installing the antennas so that the network would cover all of Mozambique.

Now that the system is on line, cooperation is continuing with Cuban engineers, while other specialists work on radio and telephone communications. It bears mentioning that Cuba also helped set up the telex exchange in Maputo and expand the country's radio communication network.

The People's Republic of Angola and Guinea Bissau also received a positive response to their requests for Cuban aid to develop their communications.

In Angola's case the efforts centered on help in running the country's existing system, training for Angolan personnel and advisory services in radio, telephony, communications economics and national television.

An interesting project in Guinea Bissau was the manufacture and marketing of postal items (stamps, cards, posters, etc), an activity that was unknown until then and that now brings in foreign exchange to that sister nation. Cuba also furnished advisory services in the administration of radio frequencies and, of course, in training for Guinea-Bissau workers, a constant task for internationalists.

The enthusiastic work that was being done on the island of Grenada was cut short by the U.S. invasion. Before this took place, however, a brigade installed several telephone exchanges and a radio transmitter that Cuba had donated to help end the age-old lack of communication between the various regions of Grenada.

Technical personnel from Kampuchea and Laos have received training in Cuba in various specialties, and these Asian nations have also benefited from cooperation in the manufacture and sale of their postage stamps.

Cuba has done wideranging work in Vietnam, including the tropicalization of its means of communication, the redesign or replacement of components in its radio transmitters and, in particular, the installation of a nationwide communications network, which is needed so badly at this time.

In this regard, it bears mentioning that companies from capitalist nations wanted to charge Vietnam \$50 million to set up such a system, whereas the cost will not even be 1/10 that amount thanks to Cuba's drafting of the technical and construction blueprints and to the use of existing equipment; Cuba's internationalists are now engaged in this task.

Nicaragua also deserves special mention in this article. The nation is receiving aid in organizing and running its existing equipment, as well as advisory services in telephony, training, economic systems, radio and television. Specialized Nicaraguan personnel are receiving training in Cuban educational centers, and Cuba is helping Nicaragua to set up the Communications Institute, which will be in charge of this important activity in the future. Cuba has donated parts, equipment and a variety of materials to demonstrate its fraternal solidarity with the long-suffering Nicaraguan people.

One of the titanic tasks that Cuban internationalists performed in close collaboration with Nicaraguan workers was the construction of the more than 500-kilometer long Matagalpa-Puerto Cabezas telephone line, 400 kilometers of which was through dense jungle that created tremendous difficulties.

Front-line workers on that project and in the rest of the cooperation program with Nicaragua will now speak to us. They have the floor.

"The Nicaraguans Are Men of Steel"

Ivan Puerto is a designer of overhead lines. He speaks with enthusiasm about his many unforgettable memories of designing this gigantic project.

"The line was strung along concrete posts with wooden crossbeams. It covered more than 400 kilometers of dense, uneven jungle. This was compounded by bad weather, because we had periods of up to 15 straight days of rain, with the resulting buildup of mud...Just imagine how complicated it was to transport those 10.5-meter long posts under such conditions. But we were working with the 'Nicas,' who never got tired and who we called 'the men of steel,'" Puerto recalls.

Puerto walked 150 kilometers in the jungle to do the surveying and draft the plans. He recalls that he dropped into nearby towns only once a month or every 2 months, because they were eager to finish the project and worked from 6 in the morning to 11 at night.

He absorbed many impressions as the work moved forward. He remembers Nicaragua's communications minister, shoulder to shoulder with the other workers, hauling the heavy concrete posts. He recalls with emotion the work that Cuban teachers and doctors performed in those lonely spots calling them heroes of labor and internationalism.

"As we mapped out the line, we cleared the jungle with chain saws, axes and machetes, digging holes, positioning supports...At night I would give classes to several Nicaraguans because few of them were specialists in constructing telephone lines, but they were all eager to learn and to be more useful to their country," he recalls.

Puerto is very happy to have had this experience and says so in these simple words:

"Any Cuban revolutionary feels good the more internationalist tasks he is assigned. It's such a great honor..."

"Our Workers' Spirit"

Jesus Vizoso had two major responsibilities. He was the head of the internationalist communications workers contingents in both Nicaragua and Mozambique. At our request, he begins by telling of his experience in Nicaragua:

"When we got to Nicaragua in October 1979, this is what we found: communications had been cut off because of the damage caused during the war against the Somoza dictatorship. Cables and radio stations had been destroyed, and the microwave network that was being installed between Managua and Bluefields on the Atlantic coast was left unfinished and damaged," he notes.

Nicaraguans and Cubans then prepared their emergency plan to achieve concrete results as quickly as possible. There were three main elements to the plan: to guarantee television, radio, telephone and telex service in the Bluefields area, the country's most remote and isolated region; to assure a telephone link with San Juan del Norte in the far south across Lake Nicaragua, and to install radio transmitters in the country's northern region.

Jesus Vizoso notes:

"The internationalists heard of the plan in November and pledged to have it finished in 60 days. On 30 December, amid great rejoicing, a speech by Commander of the Revolution Tomas Borge was broadcast in color in Bluefields after we installed two microwave stations, rebuilt the one that had been sabotaged in Mombache and installed a transmitter in Bluefields itself."

The internationalists also installed another transmitter northwest of Puerto Cabezas, which enabled radio signals to reach there directly from Managua. They brought telephone service to San Juan del Norte as well.

The Cuban contingent also provided advisory services to the Sandinist Television System, to the La Voz de Nicaragua and Radio Sandino radio stations and to the Nicaraguan Telecommunications and Postal Enterprise, in addition to training skilled personnel and helping to draft a medium-term development program for the sector.

Concerning his experiences in Mozambique, Vizoso says that the most important projects were the tropospheric communications system, the repair of the installations damaged by South African attacks from Rhodesia (today Zimbabwe) and the building of the new infrastructure.

"We set up a station on the campus of Maputo University and hooked it up with the telephone station in the city so that the signals could be transmitted to a repeater. We also installed the radio equipment and the electrical parts. The repeater was moved from the border, where it was most vulnerable to the South African attacks, to a more appropriate location. Our engineers had a hard time, however, finding a precise spot and orienting the parabolic antennas properly. We then began building the necessary structures," he notes.

Vizoso also recalls the efforts put forth in drafting the short-, medium- and long-term development plan for the communications sector, the training courses for Mozambican personnel in telephony, telegraphy, microwaves and transmission, as well as the tense work involved in erecting the parabolic antennas for the Maputo tropospheric station.

"We must at all times underscore the revolutionary spirit of our communications workers, whether in Nicaragua or Mozambique, as they labor day and night under difficult or inhospitable conditions to gladly fulfill their duty," he concludes.

8743

CSO: 3248/95

SOCONUSCO MUNICIPALITIES SEEK RELIEF THROUGH SECESSION

Petition Signed 3 June

Mexico City PROCESO in Spanish No 411, 17 Sep 84 pp 18-22

[Article by Ignacio Ramirez]

[Text] Tapachula, Chiapas. Because of the indifference and abandonment which have left them submerged in poverty, the inhabitants of this isolated region on the edge of Chiapas along the Guatemalan border are calling for sovereignty, in order to become state number 33 of the Mexican Republic.

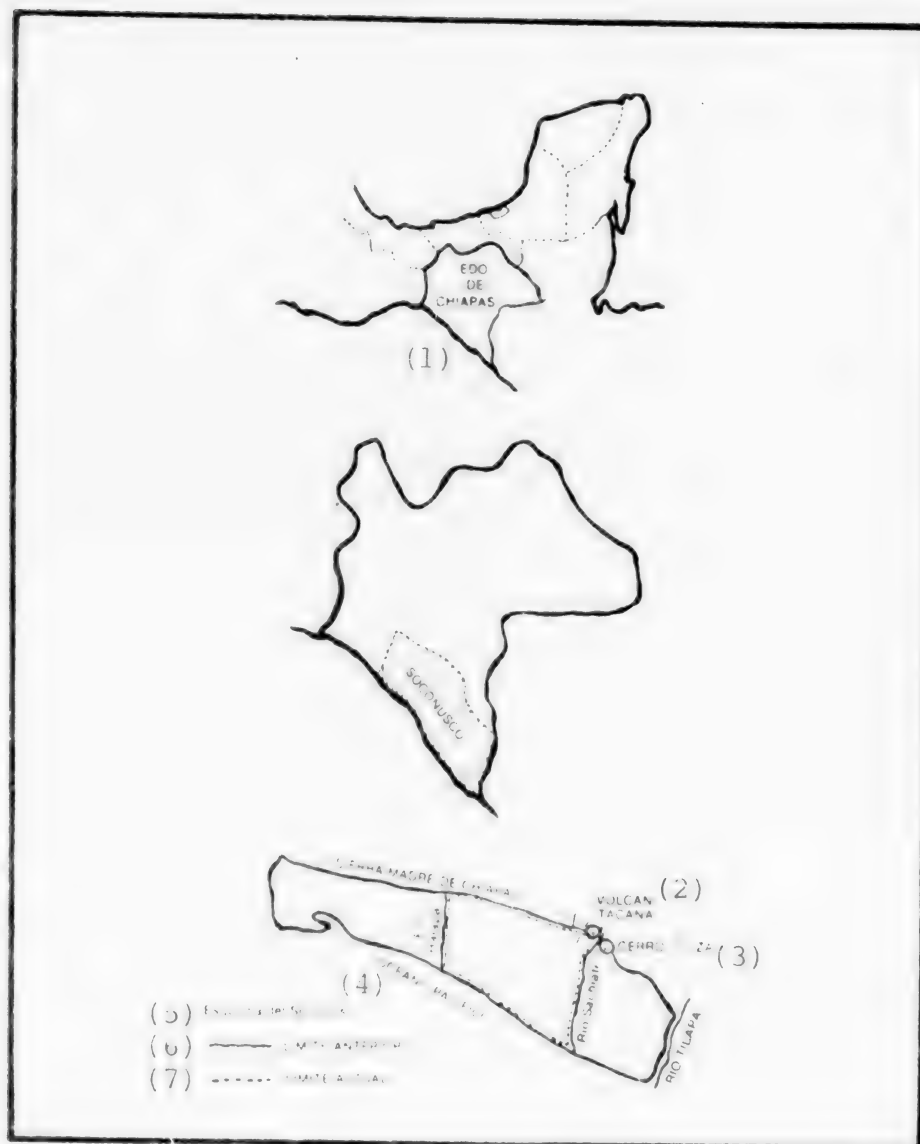
Called stateless, traitors, and separatists, the Soconuscans respond: "We are for integration, and we respect the federal agreement, but we don't want to be treated any longer like illegitimate children, guinea pigs, or the most abject and forgotten citizens."

This isn't the first attempt at self-government. When federalization first bound Chiapas to Mexico, for 18 years Soconusco continued to remain apart. Then, acting through its own will, it decided to join Mexico. In deeds signed on 6 and 7 December 1856 in Tapachula and Tuxtla Chico, the region was declared to be federal territory, recognizing solely the authority of the president of the republic.

"United with Chiapas," state the documents, "Soconusco will never be able to achieve the goals set when it decided to join with the Mexican nation."

At that time the government of Gen Angel Albino Corzo was accused of betrayal and despotism. Today the same accusation is leveled at the government of Gen Absalon Castellanos Dominguez.

"Nothing has changed; the situation is even worse now. Our people still continue to live in sorrow."



Key:

1. State of Chiapas
2. Tacana Volcano
3. Totza Hill
4. Pacific Ocean
5. Outline map of Soconusco
6. Former boundary
7. Present boundary

The region of Soconusco, whose original name in Nahuatl was "Xoconochco"--land with bitter cacti-- is one of four regions making up the state of Chiapas. The other three are in the

north, Los Altos, and in the center. Soconusco has a land area of 5,827 square kilometers and a population of 465,624 inhabitants, according to the latest census in 1980.

Divided into 16 towns, the area has the greatest agricultural potential in all Chiapas. Soconusco produces large amounts of coffee, cacao, sugar cane, cotton, plantains, corn, soy, rubber, and oil-producing plants. It has 75,000 hectares of natural estuaries in which aquaculture could be developed, and 260 kilometers of coastline, with banks of huge prawns, fish, and shellfish; manganese, uranium, gold, and silver mines; abundant flora and fauna; valuable lumber resources; a petroleum-producing area; and vast archaeological sites, with traces of Toltec and Olmec civilizations dating back to 3500 B.C.

Even with such potential wealth, though, the people are dying of hunger. The contrast is a striking one: murders which are not investigated, primarily in Huixtla, Ciudad Hidalgo, and Cachoatan, essentially because of popular resentment against the municipal authorities who are appointed by the central government. A large percentage of the population suffers from very strange diseases: people die of lice and other parasitic infestations, murine typhus, and trachoma, from lack of sanitation and proper hygiene; microembolisms, hemorrhagic dengue fever syndrome, malaria, and progeria are widespread. Progeria is premature aging caused by an unbalanced diet and insecticide contamination. Between March and September of this year 25,000 cases of onchocerciasis (river blindness) were found. If not treated in time, this causes blindness. And recently in Huixtla, five cases of genital herpes were reported.

In addition, hunger has led to widespread malnutrition and tuberculosis, stunting the growth of the Soconuscan people. The water they have to drink is contaminated with fecal matter because of the lack of sewage systems and of good drinking water. SSA [Secretariat of Health and Assistance] studies have shown that the water of the Coatan River in Tapachula, which serves the population, contains 15,000 ppm of bacteria, all of fecal origin. As a result, gastrointestinal illnesses and caries decimate the children, because of the lack of medical and dental clinics and services. But not only are the people ill; the livestock suffer as well. Brucellosis afflicts 30 percent of the herds. For this reason, 100,000 young calves are shipped away, sold to livestock growers in Tabasco, Veracruz, and Chihuahua.

Even the educational level of the people has been affected. Large numbers of the Soconuscans are illiterate; they are

influenced detrimentally by Guatemalan radio and television. When the community took the initiative to set up its own university, its registration was denied. Attorney Manuel Davila Ochoa, director of the University of Soconusco, tells the following anecdote:

Once General Castellanos Dominguez came and the issue was brought up directly with him, as on a number of occasions the SEP [Secretariat of Public Education] offices in Tuxtla Gutierrez had been contacted, but to no avail. "Law is respected here!" was the governor's response.

The authorities tried to set one condition: the name of the institution would have to be changed. "You shouldn't be such strong localists," they argued, and in exchange offered 5 million pesos.

But as ideals aren't for sale, the University of Soconusco has been in operation for the past year with 108 students, supported by the students' tuition payments and by gifts.

On 3 June 1984, representatives of the 16 towns in the region--another four, Arriaga, Motozintla, Pijijiapan, and Tonalá, have also joined in the petition to establish state number 33--combined in the Soconusco Pro-Sovereignty United Front, signed the statement known as the Huixtla Document.

This document informs the Mexican nation that:

"We have met to sign this document, in accordance with Article 73 of our General Constitution of the Republic, calling for the recognition of Soconusco as a free and sovereign state, to become an additional federative entity of our Mexican Republic. We hereby repeat our total and absolute loyalty to the federal charter, as we have done ever since 11 September 1842, the date when Soconusco became a definitive part of our country."

Constitutionally, adds the document, all legal requirements have been met.

Article 73 of the Constitution provides, among other things, that in order to form new states within the existing boundaries, it is necessary that the portion or portions seeking to become a state have a population of at least 120,000 inhabitants. They must also prove to Congress that they have sufficient resources to provide for their own political existence.

The causes underlying the general discontent of the people of Soconusco are historic, political, social, economic, and

cultural. All these causes are described in the document, delivered in Mexico City on 23 July 1984 to the leader of the Chamber of Deputies, Humberto Lugo Gil, and on 8 August to the leader of the Senate Chamber, Miguel Gonzalez Avelar, with a copy to President Miguel de la Madrid, so that it may be submitted to the Congress of the Union.

Parts of this document are quoted below:

Historically, Soconusco has never belonged to Chiapas; it has always been considered an independent territory, the principal seat of the Great Empire of the Mames. At the present time the people's wishes are ignored. Protected by the Chiapan government and by the local congress, the municipal presidents imposed from Suchiate to Tonala are pillaging the public revenues of our towns. The political assassinations committed have never been cleared up; the military spill the blood of unarmed men.

There is no protection for anyone, either in the country or in the city. Small properties and communal pasturelands are invaded without any respect, and the same thing happens to urban properties. All the members of the police force, without any exception, commit acts of pillage and vandalism. There are torments prescribed by law, and homicides are committed with impunity. We see men and women who have become human bundles of rags dying in the streets. They do not deserve to die like pariahs. These human victims who beg while dying in life are our brothers.

The construction projects supposedly carried out by the Chiapas Plan in 1983 are fantasies. Gen Absalon Castellanos Dominguez lied when he said that construction of all of the programmed projects had been completed. We can prove that the opposite is true. The few projects built in the region are pieces of junk and would not pass a technical inspection. The Chiapas Plan is a theft perpetrated against the nation, right in the midst of this 6-year term of moral renovation.

Because of indiscriminate spraying with Malathion--which has been banned in the United States for many years, and whose use was later prohibited in Mexico--the environment has been devastated, causing the appearance of Apocalyptic-style diseases. Right now, 49,000 hectares planted in coffee, our principal export product, are infested and are being attacked by the "flour aphid," "broca" [an insect borer], and coffee rust; 12,000 hectares of plantains are seriously endangered by the black "Cigatoka," a disease fatal to plantains; 14,000 hectares planted in cacao have a very poor production because of the lack of appropriate technology. The National Cacao Commission and the Regional Farmers

Union are iniquitously exploiting our farmers, paying them only 185 pesos a kilo, while the price on the national market fluctuates between 400 and 500 pesos. The farmers who raise cotton, corn, and soy have not been paid what is owed them for over 3 years. Meat and milk are in short supply because of the lack of production.

"In abandoning us," adds the document, "the Chiapans want to destroy Soconusco. Today they can allege nothing in their defense; our people are not willing to accept any legal or legalistic subterfuge they may try to put in our way. Our sovereignty is a right to which we are legally entitled."

The rebellion of the Soconuscans against "General Castellanos and his gang who are misgoverning the nearby entity of Chiapas" has brought them together in marches, rallies, and meetings: they include members from all parties--PSUM [Mexican Socialist Party], PAN [National Action Party], and even the PRI [Institutional Revolutionary Party]--businessmen, industrialists, cattlemen, coffee growers, professionals, intellectuals, students, workers, and peasants.

Gerardo Pensamiento, former undersecretary of government: "The governor's incompetence has created ill feeling not only in Soconusco, but also throughout the entire state. He has accomplished nothing; there have been no major social projects built. In 1983, 83 billion pesos were earmarked for the Chiapas Plan. That money has not been used; it is now sitting in banks earning interest at fixed rates. There is total disregard shown for us Soconuscans. For 300 years the center of the state has held the power here. We have always lived under outside imposition and robbery. Now some attention is being turned toward Soconusco, but primarily because of the problem of the Guatemalan refugees. Soconusco is still being left in oblivion. That is why we are calling for our sovereignty."

Alonso Rodriguez Gamboa, PSUM leader: "From a political struggle we have moved to a struggle for survival. We are tired of demagoguery and repression, of indifference and abandonment. Our front is issuing a cry of alarm: there could be another Texas here: Gavin has come four times, and Guatemala has strengthened its military forces, especially in the camps of Coatepeque and Campo Berlin, and in the foothills near the Tacana Volcano."

Augusto E. Villarreal, director of the newspaper EL SUR DE MEXICO: "We want Soconusco to be a free state. We are not traitors or opportunists, but rather integrationists. The decision is in the hands of the Congress of the Union, and up to the political determination of the president. We don't want to remain

silent when confronted with all this abuse, as even our individual protections have been violated by torture, which we have reported to the United Nations."

Angel Aguilar Diaz, one of the signers of the Huixtla Document: "Pedro Ojeda Paullada, Manuel Bartlett, Guillermo Soberon Acevedo, and Eduardo Pesqueira all came, though Pesqueira didn't even get out of his helicopter. Nothing was resolved. We asked for the elimination of some powers, but they won't listen to us. For that reason, with the force of history and the Constitution behind us, we saw that our republican right to become independent within the federal system could help us."

Jose Domingo Mendez Marcos, PAN member of the council of the Cacahoatan municipality: "The PRI's cynicism has reached such a high level that the regional leader of the CNC [National Peasant Confederation], Pantaleon Orella Machique, is Guatemalan. And he isn't the only such case. Gerardo Dominguez, president of the PRI's municipal committee, is also Guatemalan. In past elections, the official party has distributed voter's cards to hundreds of Guatemalans. There is also the human traffic involving the refugees, a business being conducted by immigration agents. Vice, crime, and prostitution, as well as irregular squatters' settlements, are the result of all this anarchy we are living in."

Juan Martinez, CTM [Confederation of Mexican Workers] leader: "It is very painful to have to say this, but it is the truth. The very same PRI people have even stolen our archaeological ruins and heritage from us; whenever an artifact is found, it is sent abroad."

"Now they are trying to provoke us," says a manifesto of the Soconusco Pro-Sovereignty United Front, "by celebrating the 160th anniversary of the federation of Chiapas with Mexico. That is just one more farce that shouldn't deceive the president or anyone else."

Convinced that they had no other recourse but to demand the region's sovereignty as state number 33 of the republic, the Soconuscans are prepared to fight for their cause, "let the cost be whatever it may, for no person, prison, or bullets can halt the progress of history."

Principal Aims

Mexico City PROCESO in Spanish No 411, 17 Sep 84 p 19

[Text] Once the free and sovereign state of Soconusco has been recognized, it will establish its own government, which will be democratic and representative. All parties will have the same freedom of action. The abuse of imposing unpopular and incompetent government officials will be halted. The vote will be respected, and the only will heeded will be the people's will.

This is one of the points of the 38 bases for the organization of state number 33 of the Mexican Republic, announced publicly in Tapachula on 25 June 1984.

Some other bases are the following:

Tapachula will be the state's capital, and will be renamed Fray Matias Antonio de Cordova y Ordonez; it will henceforth be known, by decree, as Tapachula de Cordova, in memory of the greatest and most illustrious man born in these lands, the man who inspired our liberation movement.

A governor will be selected, with all the political parties participating; a congress will also be elected, chosen from the people, in order to have an authentic popular representation, thus avoiding the idle deputies who now serve to legitimize unprincipled actions. The municipal councils will be totally reorganized so that in open elections, the people may freely elect whom they choose.

The main concern of the Soconusco government will be to give protection to the rural areas, ensuring that private property, small property, and communal grazing lands will all be respected without restriction. The problems of those who now hold lands illegally will be worked out, by opening up new lands suitable for agriculture.

The Hueyate area will be drained, by opening up the Hueyate barrier. This will restore approximately 40,000 hectares of prime-quality land to agriculture. These lands will be distributed in an equitable manner among peasants without land, who have been requesting this for some time. These lands will be opened up for agriculture, primarily for sugar cane, in order to provide raw material for the Belisario Dominguez sugar mill. This will provide enough sugar not just for the consumption of the local region, but also for the state of Chiapas.

Essential foods will be grown extensively, by applying all the technology needed, first to double, and later to triple food production. This will provide work for people in our rural areas, and the specter of hunger and social violence will disappear from our lands.

The planting of fodder crops will be increased, and industry will be helped to set up plants to produce balanced feed for poultry and livestock. The raising of livestock will be modernized by incorporating high-tech methods; meat and milk and their related products are now very expensive because too little is produced.

Soconusco's mineral resources will be exploited conscientiously; when minerals are located, they will be turned over to the Federation. This region may be able to produce sufficient mineral resources to help save the nation from bankruptcy.

A mid-sized fish-shrimp-shark fishing fleet will be rebuilt and used to provide for regional needs; any surplus may then be exported. In the meantime, Soconusco's complete fishing fleet will be built.

Flora and fauna will be carefully protected; legislation will protect animals and the last wild areas of our mountains. The reforestation of our countryside will be covered by decree; reforestation of high-grade woods used for lumber will be promoted extensively.

Roads and highways will be built to provide Soconusco's roadway infrastructure; only in this way will it be possible to bring technical assistance and needed materials to all corners of our region. Urban development of towns and cities will be a priority project.

Irregular settlements caused by the influx of persons who do not have a place to live will be regularized in lands where there is some urban development; the lands held by such squatters will be restored to their legitimate owners. The state congress will issue ownership titles.

Archaeological areas will be preserved and protected, and opened up for tourism.

The criminal practice of beating and torturing prisoners in order to extract illegal confessions from them will be eliminated. We will fight without rest so that the sons of Soconusco will not be used as cannon fodder, and so that the daughters of this land will not be used for prostitution.

"The aspirations that led us to this struggle," said Professor Alonso Rodriguez Gamboa, author of this bill, "are noble; everything depends on us. In our hands we hold either victory or defeat. This movement is an alternative not only for Soconusco; it also offers an alternative for Mexico. Rights are won; they are not obtained by getting down on our knees to beg."

Historical Antecedents

Mexico City PROCESO in Spanish No 411, 17 Sep 84 pp 20-21

[Text] Reviewing the pages of history serves to verify our unshakeable commitment to a nationalist ideal, so that Chiapas will not be the limit, but rather the start of our Mexican nationhood.

Attorney Marco Antonio Perez de los Reyes concluded his speech with these words, during the series of lectures sponsored in recent days by the Cultural Foundation of Soconusco, held in the Jose Marti Center of the capital of the republic.

Some excerpts on the federation of Chiapas to Mexico and on the independent life of Soconusco, discussed by the speaker, are given below.

From the beginning of the age of conquest up until 1553, Chiapas and Soconusco--two of the most important areas controlled by the Aztecs--formed part of the Territory of New Spain. In 1786 the geopolitical structure of the Indies was reorganized, and "intendencias" [administrative units] were created. Then Chiapas and Soconusco were united into the "intendencia" of Chiapas, which was dependent on Guatemala.

On 28 August 1821 the independence of Chiapas from the Spanish crown was proclaimed in Comitan. On that day, Fray Matias de Cordova--a teacher born in Tapachula in 1768--summoned the people to the Church of San Sebastian. From the pulpit he praised human freedom as an essential condition; he rebuked tyranny and inequality, and urged all those present to join in support of the plan calling for three guarantees.

At that time the Chiapans had already in fact recognized their ties with Mexico and were working for their definitive separation from Guatemala, and their inclusion as part of the Mexican nation. This was done by the decree of 22 January 1822, and by a later document signed on 26 September 1822. Both documents recognized no government other than that of the Mexican Empire, in accordance with treaties concluded by Iturbide and O'Donohue.

Shortly thereafter, Guatemala decided to join with Mexico and its territory was divided into general commands, by a decree of 4 November 1822. The extensive territory of the Mexican Empire at that time included Alta (Upper) California, Arizona, New Mexico, and Texas, and ranged as far south as Costa Rica. But the annexation of the Central American provinces lasted a very short time, barely a year.

In this situation, the Chiapan deputies met on 8 April 1823 in Ciudad Real to determine what policy to follow. They decided to establish themselves as a Supreme Governing Junta with the power to appoint a provisional government.

On 26 October 1823, the political leader of Comitán, Martín Ruiz, proclaimed the "Free Chiapas" Plan, which said that the province should decide its future fate without pressures. Soconusco agreed to this plan. The following year, on 19 March, the Junta decided to hold an election to choose between Mexico and Guatemala. There was a good deal of division on the issue, and on 24 July the Tapachulan council unexpectedly declared that Soconusco had decided to join the Supreme Government of the United Provinces of Central America. This was actually an act of rebellion, because the vote already approving union with Mexico could not be overturned. "It is very strange," notes the attorney Pérez de los Reyes, "that in a region inhabited at that time by approximately 15,460 people, the decision of only a handful of persons who made up the city council of Tapachula should be heeded."

In the midst of this situation a plebiscite was held to determine once and for all the destiny of the Chiapan province: 96,829 inhabitants voted for annexation with Mexico, and 60,400 for union with Central America.

Based on these results, in the session of 12 September 1824 the annexation of Chiapas to Mexico was declared, and a solemn proclamation to that effect was issued on 14 September. By that time Mexico had already been established as the Federal Republic.

The following year, on 24 March 1825, the Mexican government filed its first claim with Central America in regard to its rights over Soconusco. The Guatemalans proposed to submit the problem to the General American Assembly in Panama, but Mexico would not agree to allow arbitration of an issue already decided by popular vote in favor of our territorial integrity.

Nonetheless, Guatemala proposed that in 5 months a plan setting boundaries between the two countries be submitted. In the

meantime, the armies of the two countries would withdraw, without prejudice to the maintenance of their claims over the disputed area. Such a plan was never presented.

The uncertain status of Soconusco lasted for 18 years, with the arbitrary intervention of Guatemala, which included the Soconusco region with its Quetzaltenango District and tried to invade it. To avoid even greater evils, the mayor of Tapachula on 18 May 1840, acting in the name of the population, requested the intervention of Chiapas in order to support Soconusco's union with Mexico.

President Santa Anna decided to intervene and sent troops under the command of Col Juan Aguayo, who reached as far as Escuintla. On 15 August of that year, Tapachula declared it recognized no rights on the part of the Republic of Central America over Soconusco, which was going to become forever an integral part of the Mexican nation. Therefore, Santa Anna issued a decree of 11 September 1842: the District of Soconusco belongs to the Department of Chiapas, in accordance with the people's wishes. The reincorporation was announced in a solemn proclamation by the military commander and governor of Chiapas, Gen Ignacio Barberena.

Not until 27 September 1882 did Mexico and Guatemala sign a treaty on boundaries. Its first article states: "The Republic of Guatemala renounces forever any rights it may have over the territory of Chiapas and its District of Soconusco, and consequently considers this territory an integral part of the United Mexican States."

Governor Affirms State's Integrity

Mexico City PROCESO in Spanish No 411, 17 Sep 84 p 22

[Article by Candelaria Rodriguez]

[Text] Tuxtla Gutierrez. While the inhabitants of the region of Soconusco are strongly appealing to become what would be state number 33 of the Republic, Gov Absalon Castellanos Dominguez told President Miguel de la Madrid that "Mexico will continue to move forward, and with it will be Chiapas, forming an indissoluble and consistent whole."

During the festivities commemorating the 160th anniversary of the federation of Chiapas with Mexico, the state's chief executive said on Friday, 14 September that the state of Chiapas is today a consolidated, strong, and indestructible reality which, even

though, as in the rest of Mexico, it may have problems and face some difficulties, these issues are not being debated in a state of chaos, nor is the state being torn apart in anger.

"On the contrary," he added, "Chiapas has a steadfast and determined resolve to settle such problems, to find remedies and provide solutions."

The president of the state congress, Arturo Morales Urioste, in speaking of the 160th anniversary of federation, said that, above all else, "the national concept must take precedence: the unity of the republic, its development, and the creation of a better society, a more just country, a state and republic in which law will be respected, and in which the quality of life for our families and our children will be better."

He continued: "That is why we speak of nationhood and of the federal state when, because of our shared soil and blood, we describe the unique political geography of the state of Chiapas and of the United Mexican States."

Castellanos Dominguez said: "Chiapas is steady, 'standing tall,' and vigorous. A single flag flies over Chiapas; this is the same flag for all Mexicans, to which all our people devote themselves without hesitation."

"No distance, remoteness, or lack of communications can keep Chiapas from continuing to maintain its ties, always strong and faithful, to the heart of Mexico, its commitment to the nation and to the supreme destiny of the Republic."

In his working visit throughout Chiapas, President de la Madrid announced the start of an agrarian rehabilitation program, after recognizing that the fragmentation of large estates and the lack of suitable lands have made it impossible to keep giving land to peasants who want land of their own.

In his view, there must be an end to the confrontations "between brothers from the same class, confrontations provoked by groups of agitators."

In the agrarian ceremony, de la Madrid turned over to the Lacandona community a plan for establishing borders for its land. It was said that this plan will help to settle problems whose resolution has been pending for many years.

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CSO: 3248/30

MEXICO

PRESIDENT DECREES EQUAL RANK FOR DEFENSE, NAVY SECRETARIES

Mexico City EXCELSIOR in Spanish 6 Sep 84 pp 4-A, 32-A

[Article by Jesus M. Lozano]

[Text] The president of the republic has decided to give equal insignia and rank to the secretaries of national defense and the navy.

A decree published yesterday in the DIARIO OFICIAL DE LA FEDERACION describes the new insignia for the two officers; a fourth star is added for the admiral who is secretary of the navy.

The decree did not indicate who will be head of the defense establishment.

Until now the head of this sector for over two presidential terms had been the head of the department of national defense. Effective yesterday, the army, air force, and navy are to be placed on an equal level, but it has not yet been made clear who will head these branches of the armed forces.

The official publication states: "When the secretary of the navy holds the rank of admiral, during the time that he serves in this capacity, because of the position he fills, he will use the following insignia:

- a. In uniforms whose insignia is worn on the sleeves: four gold stars, 12 mm in diameter, surrounding a ship;
- b. On epaulets of uniforms which have them, the Shield of the Mexican Fleet, silver, 20 mm in diameter, with four silver stars 12 mm in diameter, placed according to regulations.

This means that the army, air force, and navy will now have equal insignia.

There are only three army generals who can wear four stars on their uniform. They are the two generals who served as secretary of defense in the past, and the present incumbent.

They are: Major Generals Gilberto R. Limon (who is now in very delicate health); Felix Galvan Lopez, who was defense secretary in the previous administration; and the present secretary, Juan Arevalo Gardoqui.

The decree does not state whether former secretaries of the navy are entitled to wear four stars.

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MEXICO

POLITICAL BIOGRAPHY OF NEW PRI SECRETARY GENERAL SKETCHED

Mexico City PROCESO in Spanish No 416, 22 Oct 84 pp 22-23

[Article by Gerardo Galarza]

[Text] Owing to circumstances and because of the timing, the comparison was inevitable: "The Mexican Ferraro." And with good reason: no woman had climbed that high on the ruling party's organizational chart.

The post of secretary general of the PRI National Executive Committee is the high point, so far, of Irma Cue Sarquis's meteoric political career, which began in 1981.

Her career does not resemble that of the traditional PRI politician. She is one of the "new Mexican politicians," forged in administrative rather than party activities, spurred on during the current presidential term and defined already as the "administrative class."

Irma Cue Sarquis (her deceased husband's last name was Duarte) was born on 7 May 1938 in Tierra Blanca, Veracruz. She was the second daughter of Teresa Sarquis and Alvaro Cue, the town pharmacist and owner of "La Fe," where he sold both patent medicines and medicines prepared right there. The store no longer exists.

She attended the Benito Juarez primary school. Her schoolmates remember her as "a very restless fair-haired child who liked to recite." She then left Tierra Blanca to continue her studies, first in Orizaba and then in Mexico City. In 1960 she earned her degree in law, specializing in administration.

She was involved in public service even before receiving her degree. Between 1957 and 1959 she worked as a social service volunteer at the National Mortgage, Urban and Public Works Bank. In 1960 and 1961 she worked as an agent of the Public Ministry.

She then joined the Secretariat of Finance and Public Credit (SHCP), which as we now know was the breeding ground for the leaders of the present-day class of politicians, specialists and bureaucrats. From 1967 to 1974 Irma Cue served as an assistant to the director general of finance studies at the SHCP. The current president, Miguel de

la Madrid, was the assistant associate director of credit in the secretariat and served as director from 1972 to 1975.

During Echeverria's term, in 1967 to be exact, the current secretary general of PRI's National Executive Committee took over at the Legal Consulting Office of CONACYT [National Council for Science and Technology]. The CONACYT secretary general at the time was Alejandro Carrillo Castro, the current director of ISSSTE [Institute of Social Security and Services for Government Workers].

It stood to reason then that in 1977, under Lopez-Portillo, when Carrillo Castro was named head of the General Coordinator of Administrative Studies and Projects of the Presidency (the office in charge of the administrative reform), Irma Cue, a specialist in administrative law, would take over at its administrative legal studies branch, preceded by her reputation as a "capable, serious professional."

The link between Carrillo Castro's office and the Secretariat of Programing and Budget was strong and obvious. The men who were to occupy the highest government posts during the subsequent term worked in the secretariat: Miguel de la Madrid, Carlos Salinas de Gortari, Manuel Bartlett, Adolfo Lugo Verduzco and Ramon Aguirre Velazquez.

In an interview just after she was named secretary general of PRI's National Executive Committee (CEN), Irma Cue stated: "It is not a concession that a woman has gotten to be PRI secretary general; it is a recognition of women. I will not be an ornament. I will fight to expand our political space. My long friendship with President Miguel de la Madrid, whom I respect and admire, is not the deciding factor in my political career. I am a party woman."

She joined PRI in 1967 when Lauro Ortega was its president. That year, according to her official curriculum vitae, she was an assistant at PRI's Institute of Political, Economic and Social Studies. In 1976 she was an adviser to the institute's assistant director's office. Alejandro Carrillo Castro was then assistant director of planning of the PRI institute.

Irma Cue's real political career began in 1981, however. PRI nominated her as its candidate for deputy in Veracruz's 12th election district, which is headquartered in Cosamaloapan, near her birthplace. No one in Veracruz doubted that she as well as Serafin Dominguez Ferman, Rogelio Carballo and Amador Toca Cangas, all of them from Veracruz, had been proposed as candidates directly by presidential hopeful Miguel de la Madrid rather than by PRI organizations.

Thus began Irma Cue Sarquis's spectacular political career. She won the election without major opposition; only the PSUM [Unified Socialist Party of Mexico] ran someone against her. She was 1 of the 60 PRI candidates chosen for the Electoral College of the Chamber of Deputies to make the elections official. The group also included several

prominent former members of the Programing and Budget Secretariat whose political stars are still shining: Genaro Borrego Estrada, now PRI's chief clerk [oficial mayor]; Manuel Cavazos Lerma, the chairman of the lower house's Programing and Budget Committee; Serafin Dominguez Ferman; Luz Lajous de Madrazo, chairwoman of the Legislative Commission of the Federal District; Juan Saldana Rosell, the current information and publicity secretary of PRI's CEN.

As a deputy, Irma Cue was named secretary of the Chamber of Deputies' Programing, Budget and Public Accounts Committee. Its chairman was Manuel Cavazos Lerma. She was also appointed to the government and constitutional affairs committee and to the justice committee, which is politically the most important one.

She was named president of the Chamber of Deputies in September 1983. As such it was her responsibility to reply to President Miguel de la Madrid's first state of the union report. She thus became the third woman in history to do so; she was preceded by Beatriz Paredes during Lopez Portillo's 3rd year and Luz Zaleta de Elsnor under Gustavo Diaz Ordaz.

Responding to his first report, she said that it was "an objective and rigorous document in setting forth what had been accomplished and also conveyed well-founded expectations and encouragement for our daily work," adding that partisan views and differing stands aside, "the nation knows over these 9 months (December 1982 to September 1983) Mexico has been straightening out its course."

In one of the few political statements in her address she said that "Mexico's democracy must be understood as a political structure, a legal system and a way of life based on the constant economic, social and cultural betterment of society."

Irma Cue's other stellar address was in the Chamber of Deputies on 24 November 1983, when Programing and Budget Secretary Carlos Salinas de Gortari outlined the 1984 draft budgets for the federal government and the Federal District. She spoke for 13 minutes, the same time that she took to reply to the president's report, according to Chamber of Deputies statistics.

She was the last member of PRI and the last deputy to question Salinas de Gortari. She also took the opportunity to respond to some of the political issues that opposition deputies had raised, mainly Ivan Garcia Solis from the PSUM. He had argued that the debate ought to be with the president of the republic and had criticized two PRI deputies who at both the president's and the finance secretary's appearance "called for the abolition of the value added tax, when this ought to be a function of the Congress itself."

Deputy Cue said: "The deputy who speaks of a presidential system pejoratively now wants the president to come before us, when he does not even listen to his fellow lawmakers." She then explained that the PRI deputies had not called for the revocation of the value added tax; they had just been consulting so that they could later voice their views.

She also said: "On occasion the deputies of our party are accused of yielding to the decisions of the Executive Branch. We are certainly members of PRI, as are the head of the Executive Branch and most of his colleagues. We make up three-fourths of this chamber and we espouse the same political principles, based on democracy and justice...We do, of course, belong to different branches of government, but we do not confuse independence with isolation, strife or competition. Our powers are different, but our goals are not."

Irma Cue's other party posts have been: a member of the Consulting Council of PRI's Institute of Political, Economic and Social Studies (1981), member of the Consulting Council of the National Executive Committee of PRI's CNOP [National Confederation of Popular Organizations] (1981), and secretary of grassroots consultation of the CNOP's National Executive Committee (1983).

An acknowledged expert in administrative law, Irma Cue has published the following works: "Public Enterprise in Mexico" (1979), "The Constitutional Regulation of Public Enterprises" (1980), "Legislative Control of Enterprises" (1981), and "The Nation's Supreme Court of Justice: A Legislative Proposal for Reorganization" (1984).

In 1982 the latter work earned her second place in the National Public Administration Awards for 1981. The awards are presented by the National Public Administration Institute, which published her work this year. The institute is run by Ignacio Pichardo Pagaza, an assistant secretary in the comptroller's office, and its advisers are: Manuel Camacho, an undersecretary in Programing and Budget; Alejandro Carrillo Castro; Alfredo del Mazo, governor of the state of Mexico; Francisco Rojas, secretary of the comptroller's office; Jose Francisco Ruiz Massieu, chief clerk of the Secretariat of Health and Assistance; Julieta Guevara Bautista, a PRI federal deputy, and Luisa Maria Leal, Mexico's ambassador in Costa Rica and, like Irma Cue, a native of Veracruz.

Her serious, well-substantiated study concludes with two major proposals: amend the constitution so that the Supreme Court, the highest court in the land, would again have the power to initiate legislation relating to the administration of the judiciary, a power that is now reserved for the legislative and executive branches; and amendments to the Organic Law of the Federal Judiciary to revamp its operations.

Irma Cue de Duarte's academic efforts have not led to any formal legislative proposals, however. As a deputy she has never authored a bill.

She achieved her highest post so far on 23 August 1984: secretary general of PRI's National Executive Committee. The only person above her is Adolfo Lugo Verduzco, the PRI leader who has had three secretaries general in less than 2 years. The others: Mario Vargas Saldana from Veracruz and Francisco Luna Kan from Yucatan, whose political careers are in keeping with the orthodox and now old-line PRI style.

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MEXICO

BRIEFS

AGRICULTURAL SECTOR OFFICIALS REPLACED--In what marks the beginning of a complete overhaul of the government farm sector, the directors of Mexican Tobacco (TABAMEX), of the National Commission of Arid Zones (CONAZA), of the National Fruitgrowing Commission (CONAFRUT) and of the National Grains Program (PRNAGRA) have been removed from office. The purpose of the changes is to provide better service to the nation's peasant farmers and to enhance the coordination and effectiveness of the agencies under the Secretariat of Agriculture and Hydraulic Resources. The director of TABAMEX, Angel Chazaro Correa, has been replaced by Alfonso Munoz de Cote, who was serving as director of Boletronico; he is regarded as having solid technical and administrative experience but as lacking knowledge of farm problems. He has also held major posts in the Secretariat of Programing and Budget. The director of CONAFRUT, Cesar Buenrostro, has been relieved by Alfonso Diaz de Vega, while the head of the National Commission of Arid Zones, Jose Ignacio Navarro, has been replaced by Noe Garza Flores, who has held posts in the Secertariat of Programing and Budget and in the National Rural Credit Bank. Armando Fierro has been named director of PRONAGRA. The appointments of new heads for these organizations, which play extremely important roles in the farm sector, have not been officially made public by the Secretariat of Agriculture and Hydraulic Resources, but they have been confirmed to EXCELSIOR by agronomist Jose Ignacio Navarro, who is also director of soil and water conservation at the secretariat. He said that the aim is to inject new life into the agencies in question, asserting that the changes are for the better because the new directors are capable and experienced [Text] [Mexico City EXCELSIOR in Spanish 25 Oct 84 pp 5-A, 27-A] 8743

CSO: 3248/85

PERU

ECONOMIC ANALYSIS ARGUES FOR REDUCED STATE PARTICIPATION

Lima EL COMERCIO in Spanish 21 Oct 84 p A-12

[Text] An ancient Chinese proverb states that a picture can convey more than a thousand words. Symbolically, the chart that opens our analysis constitutes the picture that the Chinese proverb refers to, and we think that it can explain in itself the origin of the intense drama of the national economy.

The figures contained in the chart in question clearly depict the explanation that can be given to the country as to the origin of the foreign debt, the basic reason why that debt turns out to be insoluble: the failure of all the measures adopted to date to reverse the process that threatens completely to destroy the economic base of our society, and the hunger, poverty and neglect to which an ever-increasing portion of the country's population is being exposed.

And in spite of the gratuitous enemies of what has been termed the neoliberal measures applied to the economic process of Peru, our assertion is more forceful, based on and reinforced by the official figures that report what has been the reality of the Peruvian economy.

No economic policy that has the remotest resemblance to the formulas of neoliberalism has ever been applied here in our country, and such a description cannot be applied to the IMF recommendations, which are based on the cautious handling of financial resources to prevent insolvency, and what such a situation implies.

To read the figures contained in the chart is to understand why the country has fallen into the bottomless pit where it is at present. When a state, with the effective cooperation of the public enterprises (created for the main purpose of assuming greater control over all economic activities), appropriates 62.94 percent of the gross product and thus generates a deficit that in 1983 reached the huge level of 12.64 percent of the GDP [gross domestic product], it can only be said that it has placed a noose on the neck of private enterprise and is slowly strangling it, inexorably leading it to the final and irreversible collapse where we seem to be headed without recourse.

A superficial examination of what the numbers indicate could provide a clear idea about the nature of the disaster facing us.

The general government and the public enterprises had revenues which constituted 50.3 percent of the GDP in 1983, while their expenditures amounted to 62.94 percent to give rise to a deficit totaling 12.64 percent, which undoubtedly became a strong spur for the inflation besetting us, which will have to be financed by means of domestic and foreign credits, and what is even worse, by means of the disorganized issuance of inflationary money. And undoubtedly that is not the way to reach any possible solution.

A private sector restricted by the pressure of the public treasury as it garners the financial resources that are indispensable to maintain the former's organic structure, a private sector that more and more is deprived of liquidity that is essential to keep operating while, on the other hand, demand is increasingly reduced not as the result of neoliberal measures, but of the destructive action of inflation, will not be able to recover from its slump or be of help in the revitalization and recovery of the country.

We believe that the evident reality is the chart that opens and closes this article--it is a story that deserves a restatement of the terms on which the revitalization of the country is being sought.

We believe that the celebrated "export or die" should be replaced by something like: Reduce state participation in the economy and the financial resources of the country, or vanish.

(1) EVOLUCION DE LOS INGRESOS Y GASTOS DEL SECTOR PUBLICO 1970/1982 - PERU

PBI en Millones S/	(3) INGRESOS			(4) EGRESOS			(5) (DEFICIT) SUPERAVIT		
	Gobierno Central	Empresas Publicas	Sector Pub. Consolidado	Gobierno Central	Empresas Publicas	Sector Pub. Consolidado	Gobierno Central	Empresas Publicas	Sector Pub. Consolidado
1970	240,666	30,918	24,990	55,908	32,900	59,300	(1,982)	(1,500)	(3,482)
1971	264,437	36,234	29,645	65,879	40,110	71,630	(3,876)	(1,875)	(5,751)
1972	294,683	46,651	39,690	86,341	53,560	96,036	(6,889)	(2,806)	(9,695)
1973	359,214	65,639	55,840	121,479	76,900	138,718	(11,321)	(5,918)	(17,239)
1974	447,505	87,740	81,824	169,564	97,084	201,934	(9,344)	(23,026)	(32,370)
1975	555,550	110,160	91,003	201,163	131,804	255,194	(21,644)	(32,367)	(54,031)
1976	789,052	138,555	134,670	273,225	178,452	351,238	(39,897)	(38,116)	(78,013)
1977	1'052,146	207,957	201,600	409,557	262,860	513,249	(54,903)	(48,789)	(103,692)
1978	1'670,945	311,772	378,024	689,796	391,162	797,740	(79,390)	(28,554)	(107,944)
1979	3'068,200	648,973	807,283	1'456,256	659,437	1'490,774	(10,464)	(24,554)	(34,518)
1980	4'962,461	1'205,137	1'455,805	2'660,942	1'367,437	3'018,199	(162,300)	(194,957)	(357,257)
1981	8'484,925	1'881,593	2'210,604	4'092,197	2'279,220	4'821,094	(397,627)	(331,270)	(728,897)
1982	13'786,468	2'486,000	3'323,000	6'417,000	4'085,000	8'345,000	(1'599,000)	(937,000)	(2'536,000)
35'956,252	7'865,322	8'833,978	16'699,300	9'655,966	10'504,140	20'160,106	1'790,554	1'670,252	3'460,806
									13'181'762.1

KEY: (1) Evolution of Peruvian Public Sector Revenues and Expenditures 1970-82

(2) GDP in millions of sols

(3) Revenues

(4) Expenditures

(5) (Deficit)/Surplus

A. General Government

B. Public Enterprises

C. Public Sector Overall

D. In thousands of U.S. dollars

PERU

PLAN FOR REDUCTION OF PUBLIC DEFICIT TO BE PRESENTED TO IMF

Lima EL COMERCIO in Spanish 21 Oct 84 p A-1

[Text] Peru will submit to the IMF and the commercial banking establishment an economic and financial program that will comprise measures to reduce the deficit of the public sector (central government and public enterprises) --which is expected to reach 10 percent of the GDP by December 1984--to 6.5 percent.

Each percentage point of the GDP represents about 500 trillion sols. That is, the deficit must be reduced by approximately 1,000,750,000 sols.

If approved, the plan--called a "shadow program" in the jargon of the IMF technicians--will pave the way for the signing of the suspended refinancing with the commercial banking establishment, the remittance of pending disbursements (\$575 million) by the World Bank, and the release of the \$100 million pending delivery by the commercial banks, which will be applied to the payment of part of the interests owed by Peru.

The IMF would also remit the amount of the contingent loan arranged last May. Up to now, we have managed to receive only the amount corresponding to the first quarter, according to IMF statistics, because of the failure to reach the goals of the second quarter.

The goal of a fiscal deficit of 6.5 percent of the GDP was stated by the chief of state to the financial daily THE WALL STREET JOURNAL, on a note that appeared on 19 October.

Minister Benavides has confirmed that a delegation of the MEFC will go to New York and Washington within 2 weeks.

The nature of the program is not known, but it is taken for granted that it deals with measures to reduce the fiscal breach, the most important of which is the postponement of nonessential public works projects.

8414

CSO: 3348/95

APRA SEEKS ECONOMIC EXPERTS FOR GARCIA ADMINISTRATION

Lima OIGA in Spanish 22 Oct 84 pp 13-14

[Text] Possibly today, but at the latest tomorrow, Tuesday, a meeting of CONAPLAN [National Economic Planning and Coordination Council] and the Policy Committee of APRA [American Revolutionary Popular Alliance] will be held to examine and approve the list of independent experts--friends of the party--who will be invited to form part of the government which Alan Garcia hopes to head.

This meeting will be attended by the three candidates on the APRA presidential slate; veteran dissenter Armando Villanueva del Campo; Luis de las Casas; Alfredo Santa Maria; Antonio Biondi; Luis Rodriguez Vildosola; Luis Alvarado; and Romualdo Biaggi.

APRA's greatest concern at this time is to find independent friends who will accept as their own the programs of the so-called Peru Plan, which was designed by CONAPLAN and which contains the APRA 5-year government program, with the bases for its continuation for additional 5-year periods.

On the preliminary list of candidates who could be invited to fill important posts in the economic apparatus of a possible APRA government, there are experts with much experience, who have worked with the military regime (Velasco and Morales Bermudez), with Belaunde's administration and in international organizations.

What APRA hopes to decide before December is its "economic platform." And to have its friends committed to occupying the Ministry of Economy, Directorate of the Budget, Central Reserve Bank, COFIDE [Financial Development Corporation], Directorate General of Taxation, Directorate General of Customs, chairmanship of the Foreign Debt Committee, Bank of the Nation and other important posts.

It has been learned that as of today, the list of friendly experts, in addition to Cesar Atala, who is an experienced consultant with the Inter-American Development Bank and has excellent contacts in Washington, there are Humberto Arbulu, a top official of the BCR [Central Reserve Bank] until 1980 and current consultant with the World Bank; Raul Salazar, president of the Andean Development Fund and an avowed APRA sympathizer; Javier Silva Ruete, president

of SODE, former minister of economy in the Morales Bermudez administration; Guillermo Castaneda, World Bank consultant and CONAPLAN adviser in recent times; Manuel Moreyra, former president of the BCR and vice president of SODE, now traveling through Europe making contacts for CONAPLAN; Gustavo Saberbein, UN consultant and director of CIEPA [Center for Action-Oriented Economic Research], current APRA platform adviser on economic matters.

Luis Alberto Sanchez, who has great prestige in CONAPLAN and on the Policy Committee which he chairs, does not sympathize with some of these APRA friends. For example, he cannot stand Moreyra. No one knows the real reasons, although some say this enmity goes back to the time Moreyra stated publicly that Sanchez was "quite burned out" and could hurt APRA. Sanchez also does not look too kindly upon Atala, perhaps because this expert prefers the Villanueva del Campo school of thought and considers Sanchez "inexpert."

But APRA, like Diogenes with lamp in hand, has been looking for experts who are also friends of the party, but has not had much success. And, therefore, it does not have to make choices. There are only 600 professionals on APRA's list; however, not even 10 percent--it is said--are capable of assuming major responsibilities. APRA needs experts for the production sector but does not have them. Someone has said that this will be APRA's Achilles heel, if it succeeds in coming to power.

To move the industrial recovery program forward, Alva Castro has cast an eye on Silva Ruete; however, he is reported to have said that if he takes a post in that government he could do so in economy. Another candidate for industry is Carlos Massa, a man familiar with the problems of the sector because he is himself an industrialist; but his youth is no guarantee for Sanchez. Raymundo Duharte, former president of SNI [National Association of Industries], deported during the Velasco government, is an industrialist who, although he was not invited to the meeting and does not appear on any list, frequently visits CONAPLAN, apparently because he is said to be one of APRA's hidden aces.

The independent committees supporting the candidacy of Alan Garcia, who has promoted dentist Carlos Alvarado, with a view to "recruiting" experts more than votes, have not produced results. The most active committee--Monterrico's committee--which is working on industrialist Jorge Reves, was the committee that brought Duharte into APRA.

8143

CSO: 3348/80

HIERRO-PERU PROJECTS LOSS FOR 1984

Lima EL COMERCIO in Spanish 18 Oct 84 p A-4

[Text] Reportedly, the Hierro-Peru enterprise will incur losses of 20 to 30 billion soles this year, as it will have to make late payment of taxes it allegedly owes to MEFC. This information was released yesterday by the president of the enterprise's board of directors, Eduardo Cabrera Ganoza.

He made this comment after attending a meeting of the Senate Mining Committee, which was chaired by Javier Diaz Orihuela.

During the meeting, the committee fleshed out draft legislation sent to it by the president with a view to interpreting the constitution so that "benign retroactivity" will be applied to that enterprise to relieve it from payment of about \$12 million representing the 17 percent tax on mineral exports which was established by decree-laws issued by the former military government that were repealed in November 1980.

Both Diaz Orihuela and the president of Hierro-Peru agreed that this measure will bolster that enterprise, which is one of the country's foreign exchange-generating enterprises.

In this connection, Cabrera Ganoza explained that the enterprise had produced profits of over 25 million soles in 1983.

He said that a similar amount of minerals had been sold this year compared with 1983.

However, because of the world recession and a drop in prices, while \$80 million were taken in that year, this year the figure will only be \$58 million; i.e., \$22 million less.

Diaz Orihuela said that there is a danger that Japan will buy iron from Brazil under a barter system, which means that Peru would lose that important client.

This would force the country to seek more imaginative approaches and markets such as Yugoslavia and Canada to sell our minerals, he said.

8143

CSO: 3348/80

BRIEFS

JAPANESE CREDIT TO INADE--Tacna Deputy Rolando Marquez Medina (AP [Popular Action]) said yesterday that the National Institute for Development (INADE) now has the responsibility for securing financing for Lake Aricota to ensure the water resources needed to provide electric power for industry and water for agriculture in that district. He said that INADE has been authorized to arrange a credit of \$40 million with Japan for this construction work, which if not completed in 1987, will present the danger of the lake's drying up, with serious consequences for the economy and survival of the entire southern region of the country. He explained that the Aricota financing project consists in seeking a balance between the lake's input and output of water, as at present 2.5 cubic meters of water per second flow out of the lake while only 1 cubic meter of water flows into it. This 1.5 cubic meter deficit, according to the project, will be made up through the transfer of water via canals from Lake Lariscota and the Cayasas River, the parliamentarian said. Marquez Medina warned that if the project is not executed not only will there be a paralysis of the scant industry located in Tacna, but the agriculture of Yarada, Ite and Locumba will also be affected. The metallurgical industry of Ilo and the domestic-usage electric power of Tacna and Moquega would also be affected, he said. The Aricota power plant, which was opened during the first term of President Belaunde, has a generating capacity of 35,000 kW but is only producing half that amount because of water-harnessing problems. [Text] [Lima EL COMERCIO in Spanish 19 Oct 84 p A-4] 8143

CSO: 3348/80

UNEMPLOYMENT FIGURES RANGING FROM 14 TO 19 PERCENT REPORTED

CTV Report

Caracas NUMERO in Spanish 11 Nov 84 p 17

[Text] Jesus Urbieta, member of the Executive Committee of the Confederation of Venezuelan Workers [CTV], told NUMERO: "The OCEI is making a major effort approaching (with its figures) the real unemployment levels, but the information does not agree with the statistics held by CTV."

He added: "By 1983, we had established in our final document of the Economic Commission, headed by D.F. Maza Zavlaa, an unemployment rate of 17 percent for the second half, out of an active labor universe estimated at 4.7 million; and that level must have risen."

Urbieta said: "Although we have not made the pertinent study with sufficient stringency at present, as OCEI has noted, the process of increased unemployment has not been halted and, as a result, we can say that we have a rate ranging between 17 and 19 percent."

"We have submitted to President Lusinchi a set of proposals for attacking unemployment, based on the following:

"Immediate reactivation of the construction industry by issuing a decree that would tend to eliminate the present permissive structure. This reactivation is essential to increase employment, because the latest figure on employment in the construction industry is 25,000 workers, with the exception that this is a decreasing indicator; but if the measures are carried out, that index could take an opposite direction."

"Recovery of the Workers Bank, because a large portion of that institution's assets are represented by housing developments, some incomplete and others already finished, located in different parts of the country; which, if there were reactivation, would generate new jobs in the construction industry."

[Question] In CTV's opinion, what have been the results thus far of the presidential decree increasing the payroll of workers by 10 percent?

"As the government conceived Decree 179 of 29 June 1984, relating to the 10 percent increase in the personnel payroll of private business firms, it was a palliative which, at first glance, has not brought the results that the government wanted."

According to Urbieta, there was a lack of information regarding its application, because this control should have been carried out directly by the unions all over the country. He added: "We have reports that in certain insurance companies, food service firms and private clinics and hospitals there were attempts to evade the regulations emanating from the decree."

Obviously, the shortcomings have been due mainly to the lack of cooperation by the business sector and the absence of control on the part of the unions.

At the present time, CTV is making an evaluation of the decree and, based on the results that are accrued, measures which are deemed pertinent will be enacted. In Urbieta's view, the government, represented in this instance by the Ministry of Labor, the agency responsible for the proper implementation, lacks the administrative capacity for carrying out the implementation of the decree.

Commercial Bank Report

Caracas EL DIARIO DE CARACAS in Spanish 2 Nov 84 p 13

[Text] According to the Weekly Economic Letter from the Commercial Bank, the unemployment rate in the country underwent a sizable increase during September, standing at 14.7 percent.

A poll of households by sampling indicates that the unemployment rate rose in September over the figure in August, when it stood at 13.8 percent.

The 14.7 percent rate reached represents the highest unemployment rate thus far this year, despite the 10 percent increase in the payroll of business firms.

The rise was due partially to the entry of new members into the work force, with the result that the proportion of the population seeking work for the first time rose from 1.9 percent in August to 2.3 percent in September.

Moreover, the number of those laid off, that is, individuals who are not working because they have lost their jobs, moved from 11.8 to 12.2 percent.

The unemployment rate that had shown a downward trend during the early months of this year has been rising since June.

The letter from the Commercial Bank analyzes statistics from the Central Information Office. The publication notes that the unemployment rate in the

country is extremely disturbing and shows that the national economy is still in a phase of stagnation or very moderate growth. In the area of economic activity, the sector suffering the most unemployment is the construction industry, as indicated below:

Agriculture: 5.4 percent; hydrocarbons and mines: 8.4 percent; manufacturing: 15.2 percent; electricity: 16.2 percent; construction: 34.8 percent; commerce: 10.5 percent; transportation: 14.3 percent; finance: 7.2 percent; other services: 10.3 percent.

At the present time, 20 percent of the unemployed population consists of construction workers, whereas those employed in that sector account for only 5.5 percent of the employed population.

The Commercial Bank also published an economic bulletin in which it reviews the performance of the most important economic variables between July and September of this year.

The regular management of the central government showed a considerable surplus during the first 8 months of the year. Nevertheless, one began to notice a rise in spending, associated partly with the increase in interest on the foreign debt in terms of national currency, with these payments made at a rate of 7.50 per dollar instead of 4.30.

Monetary liquidity continues to show an unstable performance, with a tendency toward shrinkage.

Insofar as inflation is concerned, during August the annual rate of increase in consumer prices was 19 percent. It is expected to reach about 17.5 percent by the year's end, in view of the hike in prices of various products during the final months of the year.

With regard to the cost of money, the Commercial Bank's bulletin estimates that the stagnation of liquidity and the heightening of inflation have exerted pressure in an upward direction on the interest rates in effect on the domestic financial market. If another increase in the maximum active rate is not allowed, the real interest rate will become negative within a short time.

The performance of the real sector of the economy continues to indicate about zero growth for 1984. It will not be until next year that we shall be able to notice a positive growth in the GDP of the Venezuelan economy.

2909

CSO: 3348/135

OPPOSITION LABOR ORGANIZES PROTEST MARCH

Caracas EL NACIONAL in Spanish 7 Nov 84 p D-1

[Text] Last night, El Venezolano Plaza became a sounding board for the by now traditional slogans protesting the high cost of living, unemployment, social insecurity, inadequate hospital service and university tuition.

Nevertheless, those attending the protest march organized by the opposition labor unions were left waiting for the announcement of concrete action to cope with the crisis that has been worsening the deterioration in wages and the living conditions of the majority sectors of the population; except for the reiteration of the demands for a law stipulating a general increase in wages and salaries and the revision of the economic terms of the collective bargaining.

At 1600 hours in the afternoon, the demonstrators started congregating in the vicinity of Carabobo Park, on a gray afternoon with a breeze auguring rain. From the platform of a truck, the voices amplified by loudspeakers urged the people to join the protest march: "against the government-FEDECAMARAS [Venezuelan Federation of Associations and Chambers of Commerce and Industry] social pact," "against the policies of a government betraying the workers," "against the policies of an AD [Democratic Action] government under which we are worse off."

At first, some station wagons of the Metropolitan Police Special Brigade were in evidence along Universidad Avenue, while squads of agents remained at the ready. Later, they were removed and the overseeing of the march was entrusted to motorized personnel who stopped traffic from corner to corner so as to allow the demonstrators to pass.

The national COPEI [Social Christian Party] leaders Abdon Vivas Teran, Ramon Dario Godoy, Jose Miguel Uzcategui and former labor minister (under LHC [Luis Herrera Campins]), Rangel Quintero Castaneda, were present backing the protest; as was the MEP [People's Electoral Movement] deputy, Fernando Alvarez Paz.

Rafael Leon Leon, Benigno Gonzalez (COPEI-CTV [Confederation of Venezuelan Workers]), Casto Gil Rivera and Cesar Olarte (MEP-CTV), Ramon Pettit (URD [Democratic Republican Union]-CTV), Pedro Leon Trujillo (CGT [General

Confederation of Labor]), Hemmy Croes and Cruz Villegas (CUTV [United Central Organization of Venezuelan Workers]), Haydee Deutsch and Antonio Briceno (MAS [Movement Toward Socialism]), among others, marched in the vanguard, carrying the national tricolor.

Along about two blocks behind came the federated, trade and labor union representatives, students from the Central and Carabobo Universities, boards of residents and communal associations, mingled with housewives and unemployed.

The demonstrations were not lacking in ironic humor, like the little old lady wielding a large bone with a sign reading "this bone is taking to the street because of the country's destruction"; or those with a tottering skeleton, with the sign "the Hurtado diet."

At 1805 hours the parade entered the Plaza, where it was met with shouts of "they have upped the price of meat, and the price of milk, on us; if the people don't ...we'll die of hunger." The announcers, on the platform, were attempting to arouse the crowd by singing verses of "Glory to the Brave People." Congressmen and political and labor leaders were led to the dais.

The main event started with the reading of a message from the Federation of University Centers, voicing its support for "this protest against a starving package wherein the only ones benefiting have been FEDECAMARAS and the International Monetary Fund; against a deaf government which labels any protest action subversive. With hunger and poverty, we cannot study or work!"

Pedro Leon Trujillo, chairman of the CGT, opened fire announcing the presence of the four labor confederations, to tell those starving the people that we won't put up with any more, and we are ready to struggle and fight against the seven plagues of unemployment, lack of social assistance, personal insecurity, the high cost of living, the drug traffic, corruption and lack of leadership. "In the absence of leadership the people will look for new directions, and their own formulas. Without justice, there is no social democracy."

He was followed by Casto Gil Rivera, who was "threatened seven times with expulsion from the CTV for his positions in defense of the working class." He said that yesterday's march had already brought results, when on that very same day Lusinchi's government had ordered a price freeze on items of prime necessity for 3 months, the revision of the contracts and the benefit of transportation and meal bonuses for the public administration workers.

Haydee Deutsch claimed that the myth of government-related trade unionism had ended, with the beginning of a course of action aimed at a more prepared and better organized trade unionism. "We must also go to the universities, where organized capitalism is being planned. The carnival-type May Day parades have ended; I propose 6 November as Labor Day."

The scattering of the demonstrators was already visible, possibly because they had not heard the desired concrete proposals for action to surmount the crisis.

The event was brought to a close by Hemmy Croes, with an appeal for reaffirmation of confidence in unity, in opposition to the powerful ones who refuse to heed the just demands associated with grievances.

2909

CSO: 3348/135

CTV-GOVERNMENT RELATIONSHIP, 1985 PROPOSED BUDGET VIEWED

Caracas EL UNIVERSAL in Spanish 2 Nov 84 p 2-3

[Article by Guillermo Munoz]

[Text] The country is disoriented in the area of economic policy and government management. There is no evidence of a definite strategy for dealing with the problem of the republic's economic reactivation; rather, one senses or, more appropriately, one feels a disjointed handling of social security and a conduct that is multiplying the risks to which private investors are exposed. In other words, the nation appears to be proceeding with confusion, almost sleepwalking, toward the attainment of uncertain goals.

What has been said is translated into reality by concurrent acts of government and positions on the part of the forces associated with the so-called social pact. In the first place, a public budget for 1985 exceeding the sum of 100 billion bolivares has been submitted to Congress for consideration. But it has been concealed that this enormous budget does not address the needs of national development. To prove this, one need only subtract the sum of 35 billion bolivares, an irrevocable commitment assumed by Venezuela as a first payment on its foreign debt, and one obtains the figure 68 billion bolivares. This amount would represent the government spending that would actually be devoted to domestic administrative management.

If one subtracts from the latter sum the expenses related to Venezuela's diplomatic service, contributions to international agencies, travel by the nation's chief executive and other officials in public administration, and imports made by the government sector (which total billions of dollars), the figure would amount to approximately 60 billion bolivares.

This means that, with respect to last year, the budgetary spending that will affect the domestic economy will be the same as, if not less than, that of this year. To put it differently, the initial budget for 1985 is about 10 billion bolivares less than the initial one for 1984. This fact has been concealed by the execution of the current budget, amounting to 100 billion bolivares, more or less, at the end of this year. But that expenditure relied on additional revenue more than 65 percent of which originated in the exchange differential; a fiscal benefit that they may possibly hope to repeat in 1985, insofar as the amount is concerned.

Now then, that phenomenon could become the "boomerang" of the economic recovery, inasmuch as a budget of 103 billion bolivares has been announced to the country, whereas, in fact, the actual national spending will amount to about 60 billion. This is presumably less than the amount set in the current budget, which did not originally call for any service on the foreign debt; unless we succumb to undesirable deficit spending.

Secondly, the position of the workers organized in the CTV [Confederation of Venezuelan Workers] is a factor for socioeconomic unrest, on the non-governmental side of the social pact. This organization, with a strong political influence on the development of the nation's existence, has not given up its desire to make demands, according to some, out of mere trade union electoral proselytism, not for reasons of conflict marked by a deepseated social essence.

Initially, the CTV sought compensatory measures which were accepted as satisfactory, although with misgivings on the part of certain leaders. These compensatory measures were even included in the so-called Financing Law. They may be summarized in the family market basket, which has not yet been established; a 10 percent increase in the payroll of business firms, a transportation bonus and industrial cafeterias or, in their absence, a daily lunch bonus. In addition, at its unilateral initiative, the passage of the law creating the commission on costs, prices and wages was passed.

Then, after the commitments between the government, FEDECAMARAS [Venezuelan Federation of Associations and Chambers of Commerce and Industry] and the CTV, the latter requested further compensation, such as an increase in the minimum wage for the rural worker, granted by means of an executive decree. But, in spite of this, the CTV, dissatisfied with the foreseeable meager short-term results of its desired compensation, persisted with a new list of petitions.

This time, it has requested a raise in the overall minimum wage, discussion of the wage terms in the collective contracts that have not expired, reform of the tax system, joint labor-owner management, and other things which constitute a repetition of previous petitions.

What has been described are aspirations not all of which can be fulfilled within a short time. One need only take a look at the republic's economic situation to conclude that these petitions exceed the country's present social potential; and all the more so with the international pressure on production and the price of oil. No one notices what has been achieved with the measures that have been implemented, before requesting others that could be reasonably provided for immediately. Without an evaluation of results for the working class, everything becomes a petition with a negative psychological effect; particularly if one notes that this position reiterates "a lot of noise and little substance," but with consequences that prompt apprehension, anxiety and suspense among the nation's society.

Thirdly, FEDECAMARAS has produced documents negating industrial cooperation associated with the Andean Pact; it has requested payment of the bank and

commercial debt constantly, when the government's response is that there has been an alleviation of the processes in RECADI [Exchange Rate Differential System] for the use of the privileged dollar that the foreign private debt enjoys; and it has demanded fiscal compensation on real assets, supposedly because of the inflationary process which, contrary to the government's opinion and without any publicly known grounds, it puts at 20 percent for this year.

In brief, the determining factors of the social pact are at violent odds; as far removed from the conflict as from the consensus that must be achieved in order to reach the clearcut, well-defined, complete, consistent and sincere path required by the process of the nation's economic and social growth.

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